



CABINET FOR ECONOMIC DEVELOPMENT

Matthew G. Bevin
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601
ThinkKentucky.com

Terry R. Gill, Jr.
Secretary

MEMORANDUM

TO: KEDFA Members

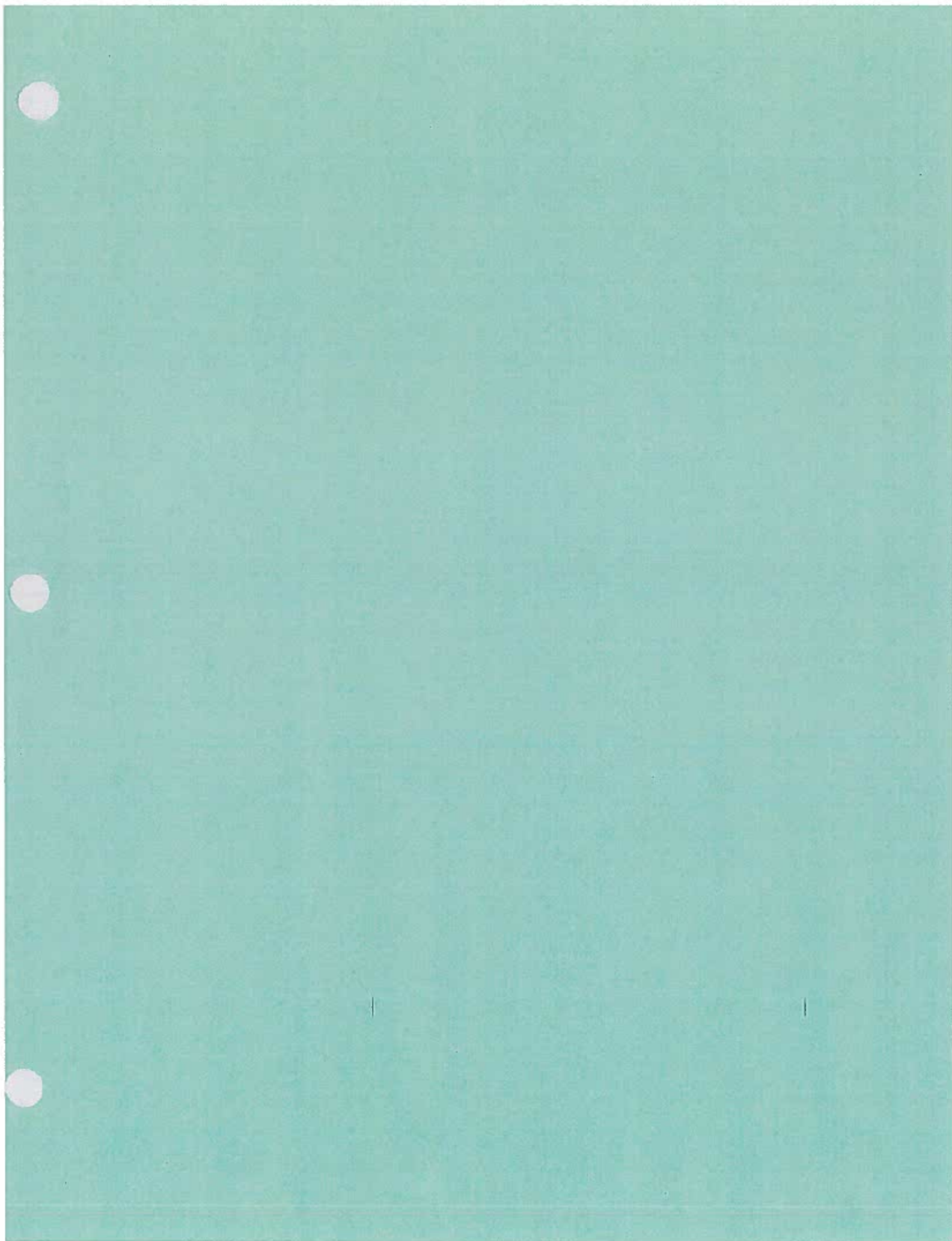
FROM: Katie Smith, Executive Director
Office of Financial Services *KS*

DATE: April 19, 2017

SUBJECT: KEDFA Board Meeting

The Kentucky Economic Development Finance Authority's next regular board meeting is scheduled for **Thursday, April 27, 2017** at the Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway in Frankfort. The meeting will convene at 10:00 a.m. (EDT) in the Board of Directors Conference Room.

If you have any questions, please feel free to contact our office at any time.



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

Old Capitol Annex
Board of Directors Conference Room
300 West Broadway
Frankfort, Kentucky

AGENDA April 27, 2017

Call to Order
Notification of Press
Roll Call

Approval of Minutes

1. Minutes from March 30, 2017 Regular KEDFA Board Meeting
2. Minutes from March 30, 2017 Executive KEDFA Board Meeting
3. Minutes from April 10, 2017 Special KEDFA Board Meeting

Reports

- | | |
|--|--------------|
| 4. Approved / Undisbursed Loan Report | Kylee Palmer |
| 5. Financial Statements and Monitoring Reports | Katie Smith |

High Tech Pool (Amendment)

- | | | |
|---|-----------|-------------|
| 6. Nucleus, Kentucky's Life Sciences and Innovation Center, LLC | Jefferson | Katie Smith |
|---|-----------|-------------|

Local IRB Project

- | | | |
|--------------------------|--------|-----------------|
| 7. NP Bowling Green, LLC | Warren | Debbie Phillips |
|--------------------------|--------|-----------------|

KEDFA Grant

- | | | |
|--|-----------|--------------|
| 8. Louisville/Jefferson County Metro Government
Louisville Waterfront Development Corporation | Jefferson | Kylee Palmer |
| 9. WITHDRAWN | | |

KBI Projects (Amendment)

- | | | |
|------------------------|-------|----------------|
| 10. Southern Air, Inc. | Boone | Bobby Aldridge |
|------------------------|-------|----------------|

KEIA Projects (Extension)

- | | | |
|------------------------------------|----------|----------------|
| 11. Heaven Hill Distilleries, Inc. | Nelson | Bobby Aldridge |
| Somerset Center Hotel LP | Pulaski | |
| Steel Ventures Incorporated | Greenup | |
| Fishback USA Inc. | Hardin | |
| Isopure, Corporation | Shelby | |
| L'Oreal USA Products, Inc. | Kenton | |
| Peristyle, LLC | Woodford | |
| Rut 'N Strut Distillery LLC | Shelby | |

KEIA Projects

12. Peristyle, LLC	Woodford	Lindsey Ransdell / Debbie Phillips
13. Bolivar Specialties, LLC	Jefferson	Alec Germond / Lynda Cunningham

KBI Projects (Preliminary) & KEIA Projects

14. WITHDRAWN		
15. WITHDRAWN		
16. Interapt, LLC	Jefferson	Anna Beth Bobbitt / Lynda Cunningham
17. Interapt, LLC	Jefferson	
18. WITHDRAWN		
19. WITHDRAWN		
20. Kobe Aluminum Automotive Products LLC	Warren	Corky Peek / Michelle Elder
21. Kobe Aluminum Automotive Products LLC	Warren	

KBI Projects (Preliminary)

22. KECH, Inc.	Whitley	Joan Ward / Debbie Phillips
23. iServe Products, Inc.	Boone	Alec Germond / Lynda Cunningham
24. Alabama Wire Products, Inc.	Hardin	Anna Beth Bobbitt / Lynda Cunningham
25. WITHDRAWN		
26. WITHDRAWN		
27. MSSC US Inc.	Christian	Corky Peek / Michelle Elder

KBI Projects (Extension)

		Michelle Elder
28. ADP Benefit Services KY, Inc.	Jefferson	
Avure Technologies, Inc.	Boone	
Industry Products Company	Scott	
New Mather Metals, Inc.	Simpson	
Peristyle, LLC	Woodford	
Rut 'N Strut Distillery LLC	Shelby	
Safai Enterprises, Inc.	Jefferson	
Universal Woods, Inc.	Jefferson	

KBI Projects (Final)

		Debbie Phillips
29. iwis Engine Systems, L.P.	Calloway	
30. J & T Munitions, Inc., dba J & T Distributing	Clark	
31. Lebanon Power & Apparatus Co., Inc.	Marion	
32. New Riff Distilling, LLC	Campbell	
33. THG International LLC	Bullitt	

KBI Project (Modification)

		Debbie Phillips
34. Life Safety Services, LLC	Jefferson	

KRA Project (Preliminary)

35. WITHDRAWN		
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KRA Project (Final)

		Debbie Phillips
36. Aleris Rolled Products, Inc. dba Aleris Rolled Products Manufacturing, Inc.	Hancock	

KSBTC

Tim Back

37. Above All Service, LLC	Marshall
Beer Engine LLC	Jefferson
Boxcar Strategies, LLC	Fayette
Carroll-Kron Consulting, Inc.	Jefferson
Consultant Solutions, Incorporated	Fayette
Copperhead Environmental Consulting, Inc.	Garrard
Dental Center of Florence, Kentucky, P.S.C.	Boone
Kerr Office Group, Inc.	Hardin
Machine and Components Industries, Inc.	Jefferson
Videobred, Inc.	Jefferson
Vuecom Media Group Co.	McCracken

Kentucky Angel Investment Act Program

Tim Back

38. Zapp, Robert W.	Kenton	Bexion Pharmaceuticals, Inc.
Singal, Inder	Jefferson	Comfy Cow, LLC
Glasscock, Charles Edward	Kenton	CompleteSet, Inc.
Cundiff, Clarence K.	Fayette	Hippo Manager Software, Inc.
Winbigler, David Brian	Jefferson	Patriot Brands LLC
Burkett, John N.	Jefferson	Rabbit Hole Spirits, LLC

Kentucky Collateral Support Program

Kylee Palmer

39. WITHDRAWN		
■ Faith Holdings LLC	Fayette	First Harrison Bank

Closed Session

41.

High-Tech Pool Project

Katie Smith

40. Kentucky Economic Development Partnership
Commonwealth Seed Capital, LLC

Quarterly KSBCI Finding Report

Kylee Palmer

42. KSBCI Quarterly Finding Report as of March 31, 2017

KEDFA Funding

Katie Smith

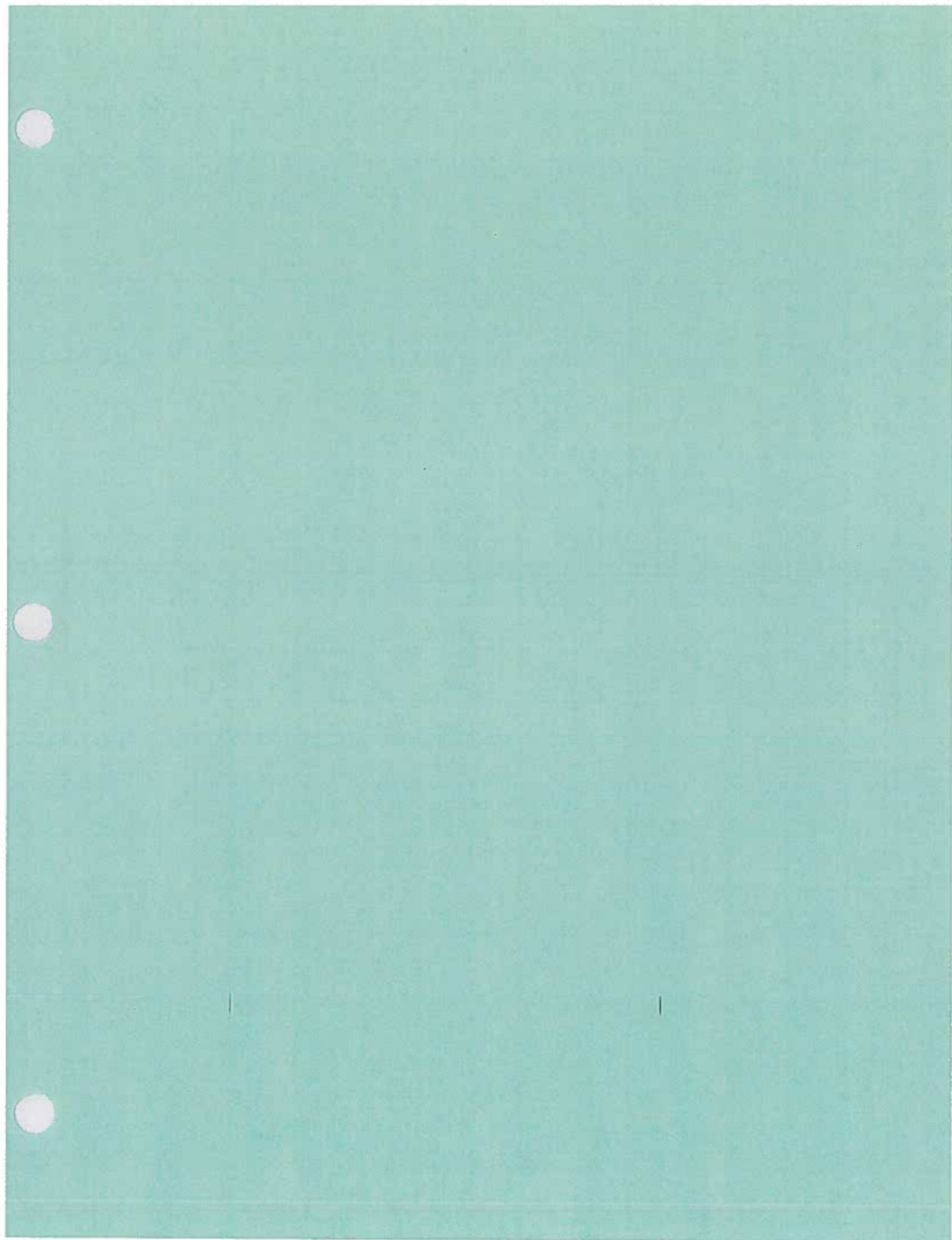
■ Kentucky Small Business Credit Initiative

Quarterly Amendment Report / Resolution

Caroline Baesler

43. Quarterly Amendment Report as of March 31, 2017

Adjournment



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

BOARD MEETING

March 30, 2017

MINUTES

Call to Order

The Kentucky Economic Development Finance Authority (KEDFA) convened at 10:00 a.m. EDT on March 30, 2017, at the Cabinet for Economic Development, Old Capitol Annex, Board of Directors Conference Room, 300 West Broadway in Frankfort, Kentucky.

Notification of Press

Jean Hale, Chairman, received verification that the media had been notified of the KEDFA regular monthly board meeting.

Roll Call

Members Present: Jean Hale, Edwin King, Proxy for Secretary William M. Landrum, III, Joe Kelly and Mike Vogt

Staff Present: Bobby Aldridge, Tim Back, John Bevington, Anna Beth Bobbitt, Lynda Cunningham, Michelle Elder, Alec Germond, Reid Glass, Craig Kelly, Brandon Mattingly, Kylee Palmer, Corky Peek, Debbie Phillips, Kristina Slattery, Katie Smith and Teresa Spreitzer

Others Present: Michael Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Mark Franklin and Alex Stafferini, Stoll Keenon Ogden; Ward Begley, Owensboro Health, Inc.; Megan Rudd, Chapman & Cutler LLP; Sierra Enlow, Louisville Forward; Steve Landis, Schwan's Food Co.; Jessica Zeiger, Polsinelli Shughart PC and Jim Wentz, KentuckyOne Health

Approval of Minutes

Chairman Hale entertained a motion to approve the minutes from the February 23, 2017 regular KEDFA board meeting.

Joe Kelly moved to approve the minutes, as presented; Edwin King seconded the motion. Motion passed; unanimous.

Approved/Undisbursed Loan Report

Chairman Hale called on Kylee Palmer to review the approved/undisbursed loan report.

After review, the Authority accepted the report as presented.

Financial Statements and Monitoring Reports

Chairman Hale called on Katie Smith to review the financial statements and monthly monitoring reports as of February 28, 2017.

After review, the Authority accepted the statements and reports as presented.

KEDFA IRB Project (Resolution)

Chairman Hale called on Debbie Phillips to present a KEDFA IRB resolution to the Authority.

Catholic Health Initiatives

Ms. Phillips referenced in the board material a copy of a draft board resolution relating to the proposed remarketing of tax-exempt revenue bonds previously issued by KEDFA in October 2004 for the benefit of Catholic Health Initiatives. The board resolution authorizes the execution and delivery of a Second Supplemental Bond Trust Indenture allowing the conversion of the interest rate mode for the 2004C bonds from a floating variable rate to a fixed rate applicable to interest periods greater than one year.

KEDFA is a conduit financier in the transaction, therefore, the bonds will not constitute a general obligation of KEDFA and will not be payable from KEDFA's own funds.

Staff recommended the adoption of the KEDFA IRB Resolution.

Michael Vogt moved to approve the staff recommendation, as presented; Mr. Kelly seconded the motion. Motion passed; unanimous.

KEDFA IRB Project (Final)

Chairman Hale called on Ms. Phillips to present a final KEDFA IRB project to the Authority.

Owensboro Health, Inc.

Daviess County

Ms. Phillips referenced in the board material a draft KEDFA bond issue report relating to KEDFA's proposed issuance of revenue refunding bonds in an amount not to exceed \$550,000,000 on behalf of Owensboro Health, Inc. The bond proceeds will be used to advance refund the outstanding Kentucky Economic Development Finance Authority Hospital Revenue Bonds Series 2010A and Hospital Revenue Refunding Bonds Series 2010B for Owensboro Medical Health System, Inc. The City of Owensboro adopted a resolution requesting KEDFA issue these bonds.

A TEFRA hearing for the purpose of receiving public comment on the proposed bond issue was conducted at 9:00 a.m., March 30, 2017 at the Old Capitol Annex, Board of Directors Conference Room, 300 West Broadway in Frankfort, with no public comment.

If the financing is approved, KEDFA would serve as the conduit issuer of the bonds. The bonds would not constitute a general obligation of KEDFA and KEDFA would not be obligated to pay principal or interest for the bonds from its own funds.

Staff recommended the adoption of the KEDFA final bond resolution.

Mr. Kelly moved to approve the staff recommendation, as presented; Mr. Vogt seconded the motion. Motion passed; unanimous.

Kentucky Enterprise Initiative Act (KEIA) Projects (Extension)

Chairman Hale called on Craig Kelly to present the KEIA project extension requests to the Authority.

Mr. Kelly stated seven (7) companies requested additional time to complete the projects and asked that all 7 be presented as one motion.

Company	County	Extension
Aleris Rolled Products Manufacturing, Inc.	Hancock	1 Month
Thai Summit Kentucky Corporation	Nelson	4 Month
Denyo Corporation	Boyle	9 Month
Zoeller Company (Retroactive to January 31, 2017)	Jefferson	10 Month
Brown-Forman Corporation	Woodford	12 Month
J.M. Smuckers, LLC	Allen	12 Month
Michter's Distillery, LLC	Jefferson	12 Month

Staff recommended approval of extension requests.

Mr. Vogt moved to approve the staff recommendation, as presented; Mr. Kelly seconded the motion. Motion passed; unanimous.

KEIA Project

Chairman Hale called on staff to present a KEIA project to the Authority.

Novelis Corporation Madison County

**Anna Beth Bobbitt
Lynda Cunningham**

Anna Beth Bobbitt stated Novelis Corporation melts down used beverage cans and other recycled aluminum scrap to produce ingots to use in the production of new aluminum cans. Approximately 20 percent of all aluminum cans recycled in the United States are sent to this facility. In order to increase the production capacity of the plant by 50,000,000 pounds per year, the company needs to invest in additional equipment and make facility improvements to handle the additional material volumes.

Lynda Cunningham stated the project investment is \$2,335,000 of which \$1,280,000 qualifies as KEIA eligible costs.

Staff recommended approval of the KEIA approved recovery amount of \$75,000 for construction materials and building fixtures.

Mr. Kelly moved to approve the staff recommendation, as presented; Mr. Vogt seconded the motion. Motion passed; unanimous.

KBI Projects (Preliminary)

Chairman Hale called on staff to present the KBI preliminary projects to the Authority.

Tower Automotive Operations USA I, LLC Bullitt County

**Anna Beth Bobbitt
Lynda Cunningham**

Ms. Bobbitt stated Tower International is a leading integrated global manufacturer of engineered structural metal components and assemblies. Tower Automotive Operations USA I, LLC is a wholly-owned subsidiary of Tower International and supplies the automotive industry with body-structure stampings, frames and other complex welded assemblies for automobiles. The company has been awarded a new program to manufacture automotive structural components for sport utility vehicles and is considering the expansion of its Shepherdsville facility to accommodate for the growth.

Ms. Cunningham stated the project investment is \$19,900,000 of which \$5,000,000 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 35 with average hourly wages of \$32.00 including benefits. The state wage assessment participation is 3.0% and the City of Shepherdsville will participate at 1.0%. The company will be required

to maintain a base employment equal to the greater of the number of full-time, Kentucky resident employees as of the date of preliminary approval or 78 full-time, Kentucky resident employees. The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at all company locations, excluding the site of the project, as of the date of preliminary approval. The company acknowledges that the Project is to be located in a county currently certified as an enhanced incentive county, and further acknowledges that it does not wish to proceed under the KBI program provisions applicable to such projects, and instead, waives the enhanced county benefits.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$600,000.

Mr. Vogt moved to approve the staff recommendation, as presented; Mr. Kelly seconded the motion. Motion passed; unanimous.

**Tower Automotive Operations USA I, LLC
Nelson County**

**Anna Beth Bobbitt
Lynda Cunningham**

Ms. Bobbitt stated Tower International is a leading integrated global manufacturer of engineered structural metal components and assemblies. Tower Automotive Operations USA I, LLC is a wholly-owned subsidiary of Tower International and supplies the automotive industry with body-structure stampings, frames and other complex welded assemblies for automobiles. The company has been awarded a new program for stamping and welding subassemblies for sport utility vehicles and passenger cars. The company is considering an investment in new equipment at the Bardstown facility to accommodate the program.

Ms. Cunningham stated the project investment is \$29,422,907 of which \$1,281,733 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 25 with average hourly wages of \$32.00 including benefits. The state wage assessment participation is 3.0% and Nelson County will participate at 0.5% with the City of Bardstown participating at 0.5%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at all company locations, excluding the site of the project, as of the date of preliminary approval. The project will include multiple locations within Nelson County/Bardstown. Only investment costs incurred at 850 Withrow, Bardstown, Kentucky will be considered toward calculating eligible costs. Employees and their respective wages at the locations included in the project definition will be eligible for compliance. The company acknowledges that the Project is to be located in a county currently certified as an enhanced incentive county, and further acknowledges that it does not wish to proceed under the KBI program provisions applicable to such projects, and instead waives the enhanced county benefits. The company will also be required to withdraw from the KREDA program prior to final approval of this KBI project.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$500,000.

Mr. Vogt moved to approve the staff recommendation, as presented; Mr. Kelly seconded the motion. Motion passed; unanimous.

**Maxim Crane Works, LP
Campbell County**

**Alec Germond
Lynda Cunningham**

Alec Germond stated Maxim Crane Works, LP is the largest coast-to-coast provider of crane rental and lifting services in the United States. The company has 48 locations across the

country and provides services in all 50 states. In order to accommodate its current and projected nationwide growth, the company is proposing to construct an additional 17,000 square foot building to house executives and administrative staff.

Ms. Cunningham stated the project investment is \$4,710,000 of which \$3,180,000 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 100 with average hourly wages of \$69.00 including benefits. The state wage assessment participation is 3.0% and the City of Wilder will participate at 1.0%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The company will be required to maintain 85% of the total statewide full-time, Kentucky resident employees at all company locations, excluding the site of the project, as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$2,000,000.

Mr. Kelly moved to approve the staff recommendation, as presented; Mr. Vogt seconded the motion. Motion passed; unanimous.

**Perfetti van Melle USA Inc.
Boone County**

**Alec Germond
Lynda Cunningham**

Mr. Germond stated Perfetti van Melle USA opened for business in 1984 in Boone County as a confectionary manufacturing, sales and USA HQ operation as part of the larger global Perfetti van Melle (PVM) entity headquartered in Amsterdam. PVM USA is one of the 5 largest non-chocolate confectionary companies in the world. In response to the market demand and to better serve its customers, the company is proposing the expansion of its manufacturing/packaging capacity by nearly 50%.

Ms. Cunningham stated the project investment is \$11,000,000 of which \$2,500,000 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 50 with average hourly wages of \$32.00 including benefits. The state wage assessment participation is 1.5% and Boone County will participate at 0.4%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$500,000.

Mr. Vogt moved to approve the staff recommendation, as presented; Mr. Kelly seconded the motion. Motion passed; unanimous.

**UACJ Automotive Whitehall Industries, Inc.
McCracken County**

**Corky Peek
Michelle Elder**

Corky Peek stated UACJ Automotive Whitehall Industries, Inc. formally SRS Industries (dba Whitehall Industries) is a manufacturer of precision aluminum parts for the automotive industry and has been an employer in Paducah for the past 3 years. The company was purchased in April 2016 by UACJ Corporation, one of the largest aluminum suppliers in the world. Since the change of ownership, UACJ Corporation has been awarded several new programs and is considering these programs be moved to its Kentucky plant over the next few years.

Ms. Elder stated the project investment is \$3,326,500 of which \$2,326,500 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 50 with average hourly wages of \$17.00 including benefits. The state wage assessment participation is 3.0%

and the City of Paducah will participate at 1.0% for five (5) years. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$500,000.

Mr. Kelly moved to approve the staff recommendation, as presented; Mr. Vogt seconded the motion. Motion passed; unanimous.

KBI Projects (Extension)

Chairman Hale called on Ms. Elder to present the KBI extension requests to the Authority.

Ms. Elder stated seven (7) companies requested additional time to complete the projects and asked that all 7 be presented as one motion.

Company	County	Extension
J & T Munitions, Inc. dba J & T Distributing	Clark	3 Month
Midea American Corporation	Jefferson	6 Month
Atlas Development Group, LLC	Hardin	12 Month
Frost-Arnett Company	Taylor	12 Month
Kowa Kogyo-sho Co., Ltd.	Knox	12 Month
Rajant Corporation	Rowan	12 Month
StrikerBilt LLC	Muhlenberg	12 Month

Staff recommended approval of the KBI extension requests.

Mr. Vogt moved to approve the staff recommendation, as presented; Mr. Kelly seconded the motion. Motion passed; unanimous.

KBI Projects (Final)

Chairman Hale called on Ms. Phillips to present the KBI final projects to the Authority.

Ms. Phillips stated six (6) companies requested KBI final approval, two of which have modifications since preliminary approval. Ms. Phillips asked that all 6 be presented as one motion.

KBI finals without modifications since preliminary approval:

Project Name	County	Type Project
Against The Grain LLC	Jefferson	Manufacturing
Borden Dairy Company of Kentucky, LLC	Laurel	Manufacturing
Total Quality Logistics, LLC	Boone	Service & Technology
Total Quality Logistics, LLC	Jefferson	Service & Technology

KBI finals with modifications since preliminary approval:

Faurecia Automotive Seating LLC Shelby Manufacturing
Investment costs decreased from \$18,749,550 to \$13,673,755 and eligible costs decreased from \$9,595,775 to \$7,057,888 due to an incorrect calculation on rent at preliminary approval. All other aspects of the project remain the same.

Life Safety Services, LLC

Jefferson

Headquarters

The company requested the addition of affiliates, Hughes Environmental and LSS Holdings LLC, to the project. The project changed from an owned project to a leased project with no rent included in the eligible costs. The total investment increased from \$1,325,000 to \$3,097,955; the eligible costs decreased from \$1,325,000 to \$922,698; the job target increased from 20 to 80 and the total negotiated tax incentive amount increased from \$400,000 to \$1,000,000. All other aspects of the project remain the same.

Staff recommended approval of the KBI final resolutions and tax incentive agreements and the authorization to execute and deliver the documents.

Mr. Vogt moved to approve the staff recommendation, as presented; Mr. Kelly seconded the motion. Motion passed, unanimous.

Kentucky Reinvestment Act (KRA) Project (Preliminary)

Chairman Hale called on staff to present a KRA preliminary project to the Authority.

**SFC Global Supply Chain, Inc.
Boone County****Kristina Slattery
Debbie Phillips**

Kristina Slattery stated SFC Global Supply Chain, Inc. (SFC) is a manufacturer of frozen food products that are sold both in the United States and internationally. The plant in Boone County is operational, however, it is in need of new equipment in order to be more efficient and productive. The reinvestment in the facility is necessary to replace some aging equipment, to be able to increase manufacturing capacity and to add capabilities to its production line. This will also allow the company to make different types of products in less time, with less waste. These improvements in capacity and capabilities will allow for growth in the products SFC offers its customers and enhance the long-term viability of its Kentucky plant. The company has an aggressive timeline and hopes to be completed with this project by April 2018.

Ms. Slattery introduced Steve Landis, Senior Director of Manufacturing, Schwan's Food Co., and invited him to address the board regarding the project and answer any questions the board may have.

Ms. Phillips stated the project investment is \$33,967,987 of which \$16,983,994 qualifies as KRA eligible costs. The job retention requirement over the term of the agreement is 85% of the number of full-time jobs at the project location as of preliminary approval.

Staff recommended preliminary approval of the KRA negotiated tax incentive amount of \$2,500,000.

Mr. Kelly moved to approve the staff recommendation, as presented; Mr. Vogt seconded the motion. Motion passed; unanimous.

**TG Automotive Sealing Kentucky, LLC
Christian County****Corky Peek
Michelle Elder**

Mr. Peek stated TG Automotive Sealing Kentucky, LLC, founded in 2002, manufactures rubber molded and plastic interior auto parts as well as automotive weather-stripping. The plant in Hopkinsville is in good condition, however, some of the equipment is in need of upgrades and only half of its available square footage is now being used for productive activity. The company proposes to reinvest in the plant's cooling system, as its greatest periods of turn-over occur in the heat of the summer. The company also proposes to invest in additional extrusion lines which will open up the plant square footage and allow the company

to offset some of its lost work to Mexico. With these incentives, the company will be able to invest in equipment, train its employees and increase morale which could allow for future expansions. The company states without KRA incentives, this project could be at risk. The company has an aggressive timeline and hopes to complete this project by March 2019.

Ms. Elder stated the project investment is \$7,492,293 of which \$4,442,293 qualifies as KRA eligible costs. The job retention requirement over the term of the agreement is 95% of the number of full-time jobs at the project location as of preliminary approval.

Staff recommended preliminary approval of the KRA negotiated tax incentive amount of \$3,300,000.

Mr. Kelly moved to approve the staff recommendation, as presented; Mr. Vogt seconded the motion. Motion passed; unanimous.

KRA Project (Final)

Chairman Hale called on Ms. Elder to present a KRA final project to the Authority.

LEDVANCE LLC Woodford County

Ms. Elder stated LEDVANCE LLC requested final approval of its manufacturing project. The company currently has 432 full-time, Kentucky resident employees and has expended \$13,055,923 in equipment and related costs. LEDVANCE LLC is eligible to receive the \$2,500,000 negotiated tax incentive amount as preliminarily approved.

The following modifications have been made since preliminary approval: The company name changed from Osram Sylvania Inc. to LEDVANCE LLC. All other aspects of the project remain the same.

Staff recommended approval of the KRA final resolution and reinvestment agreement and the authorization to execute and deliver the documents.

Mr. Vogt moved to approve the staff recommendation, as presented; Mr. Kelly seconded the motion. Motion passed; unanimous.

Incentive for Energy Independence Act (IEIA) Projects (Extension)

Chairman Hale called on Ms. Palmer to present the IEIA project extension requests to the Authority.

<u>Company</u>	<u>County</u>	<u>Extension</u>
Cetna Energy, LLC	Boyd	12 Month
Jefferson AD II, LLC	Jefferson	12 Month

Staff recommended approval of extension requests.

Mr. Vogt moved to approve the staff recommendation, as presented; Mr. Kelly seconded the motion. Motion passed; unanimous.

Kentucky Small Business Credit Initiative (KSBCI)

Chairman Hale called on Ms. Palmer to present the KSBCI collateral support request to the Authority.

SNEAK Properties, LLC

Jefferson County

Ms. Palmer stated Stock Yards Bank & Trust requested collateral assistance for up to \$798,000 to assist in the purchase of real estate by SNEAK Properties, LLC, the real estate holding company for Isopure Corp. The total bank loan is \$3,990,000.

Isopure Corp. makes purification systems for the dialysis industry and increased production demands require a larger facility. The building to be purchased is a 65,000 square foot climate controlled building located in Louisville, KY and will house the operations of Isopure Corp.

Staff recommended approval of the bank request for up to \$798,000 in support from the KSBCI Kentucky Collateral Support Program.

Mr. Kelly moved to approve the staff recommendation, as presented; Mr. Vogt seconded the motion. Motion passed; unanimous.

Kentucky Small Business Tax Credit (KSBTC) Projects

Chairman Hale called on Tim Back to present the KSBTC projects to the Authority.

Mr. Back stated there are 10 Kentucky small businesses from 6 counties with qualifying tax credits of \$100,200. The 10 businesses created 29 jobs and invested \$269,827 in qualifying equipment or technology. Mr. Back requested the following tax credits be presented as one motion:

Qualified Small Business	County	Beg. Emp.	Elig. Pos.	Average Hourly Wage	Qualifying Equipment or Technology	Tax Credit
BTA LLC	Jefferson	0	2	\$ 17.67	\$ 6,500	\$ 6,500
Construction Machinery Company, Inc.	Jefferson	29	6	\$ 30.07	\$ 22,956	\$ 21,000
Emerson's Bakery, Inc.	Boone	11	1	\$ 26.00	\$ 8,248	\$ 3,500
Janson Communications, LLC	Boyd	12	4	\$ 17.58	\$135,758	\$ 14,000
Morel Construction Co., LLC	Jefferson	18	5	\$ 23.40	\$ 28,300	\$ 17,500
Norman Story & Associates, Inc.	Fleming	13	1	\$ 17.50	\$ 17,868	\$ 3,500
Skye Technologies, LLC	Jefferson	6	3	\$ 22.22	\$ 9,770	\$ 9,700
TDT Motorsports Group, LLC	Rowan	3	1	\$ 11.00	\$ 10,599	\$ 3,500
The Roberts Group, P.S.C.	Fayette	17	3	\$ 26.25	\$ 18,245	\$ 10,500
Ugly Ape, Inc.	Fayette	0	3	\$ 17.50	\$ 11,583	\$ 10,500

Staff recommended approval of the tax credits.

Mr. Vogt moved to approve the staff recommendation, as presented; Mr. Kelly seconded the motion. Motion passed; unanimous.

Kentucky Angel Investment Act Program Projects

Chairman Hale called on Mr. Back to present the Kentucky Angel Investment Act Program projects to the Authority.

Mr. Back stated there are two (2) Kentucky Angel Investment Act Program projects representing 2 Kentucky businesses and 2 individuals for a total projected investment of \$100,000 with eligible tax credits of \$40,000. The investor will have 60 calendar days in which to make the planned investment and 20 calendar days from the investment date in which to submit proof of the investment before receiving the tax credit.

Mr. Back requested the following proposed Kentucky Angel Investment tax credits be presented as one motion:

Qualified Small Business Qualified Investor(s)	County	Projected Investment	Tax Credit
<u>Advanced Energy Materials, LLC</u> <u>Santosh Patil</u>	Jefferson	\$ 50,000	\$ 20,000
<u>Gourmet Renee LLC</u> <u>Stephen Olenick</u>	Kenton	\$ 50,000	\$ 20,000

Staff recommended approval of the proposed tax credits.

Mr. Vogt moved to approve the staff recommendation, as presented; Mr. Kelly seconded the motion. Motion passed; unanimous.

Executive Session

Pursuant to KRS Section 61.810 (1) (C), Chairman Hale entertained a motion to enter into executive session to discuss proposed or pending litigation against or on behalf of the public agency.

Mr. Kelly moved to enter into executive session; Mr. King seconded the motion. Motion passed; unanimous. The board entered into executive session at 10:29 a.m.

Regular Session

Chairman Hale entertained a motion to return to regular session.

Mr. Kelly moved to return to regular session; Mr. Vogt seconded the motion. Motion passed; unanimous. The board returned to regular session 10:35 a.m.

KEDFA Loan (Modification)

The Thompson Group Henderson County

A motion was made by Mr. Vogt and seconded by Mr. Kelly to approve the KEDFA Loan modification request by The Thompson Group for a six (6) month extension beginning March 2017 and ending August 31, 2017 with monthly principal payments of \$500 plus interest. The motion carried unanimously.

Adjournment

There being no further business, Chairman Hale entertained a motion to adjourn.

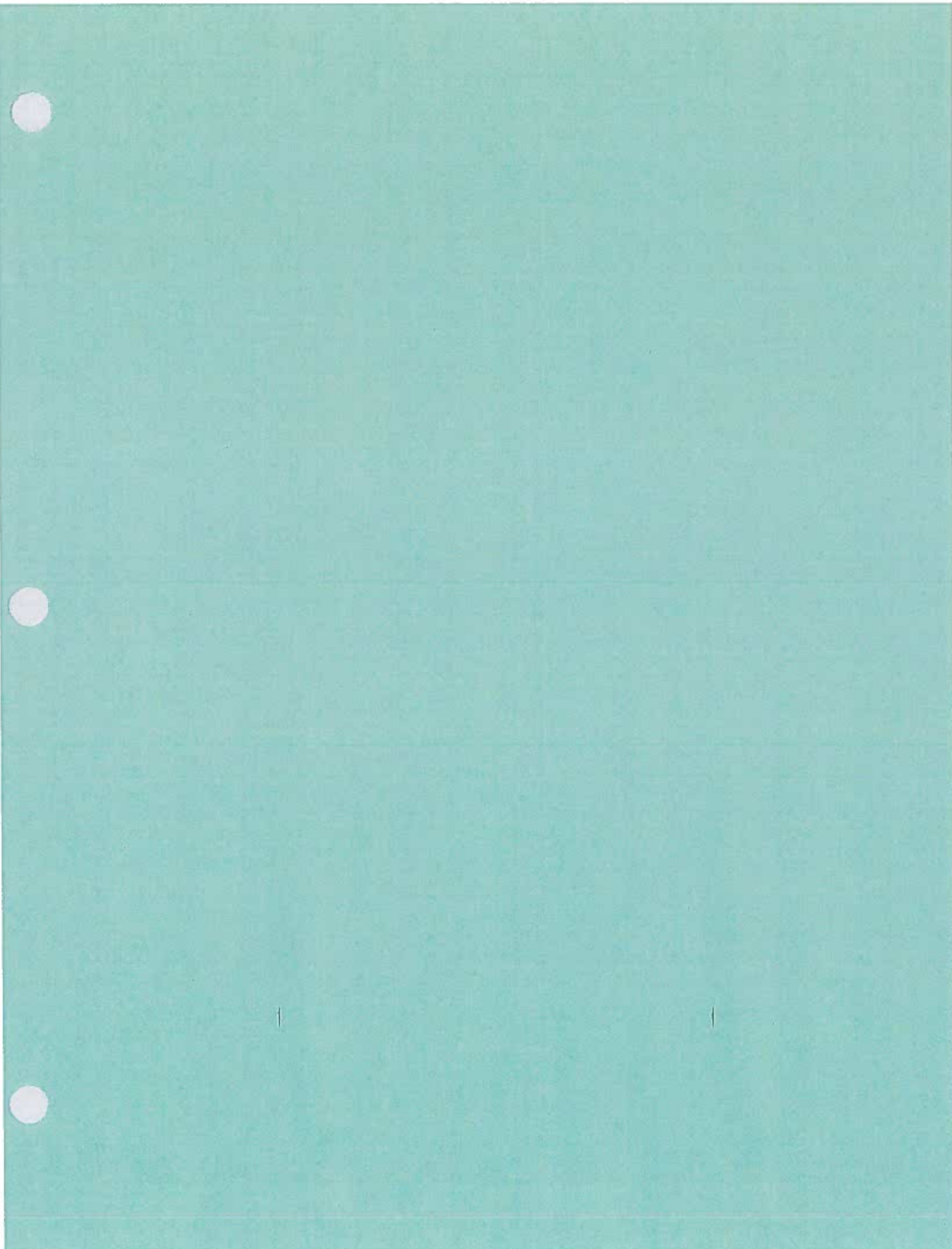
Mr. Kelly moved to adjourn the March KEDFA board meeting; Mr. Vogt seconded the motion. Motion passed; unanimous.

The meeting adjourned at 10:36 a.m.

PRESIDING OFFICER:



Jean Hale, Chairman



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

SPECIAL MEETING

April 10, 2017

MINUTES

Call to Order

The Kentucky Economic Development Finance Authority convened at 9:32 a.m. EDT, April 10, 2017, at the Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway, Board of Directors Conference Room, 1st Floor, in Frankfort, Kentucky, for a special meeting to consider a Kentucky Jobs Retention Act (KJRA) supplemental project in Scott County. Other sites, via video conference, were First Rate Mortgage, 10400 Linn Station Road, Suite 226, Louisville, Kentucky and Community Trust Bank, Inc., 346 North Mayo Trail, 5th Floor Conference Room, Pikeville, Kentucky.

Notification of Press

Jean Hale, Chairman, received verification that the media had been notified of the KEDFA Special Board Meeting.

Roll Call

Members Present: Jean Hale, Aubrey Hayden, Edwin King, Proxy for Secretary William M. Landrum and Dorsey Hall

Staff Present: Caroline Baesler, John Bevington, Michelle Elder, Joe Lilly, Brandon Mattingly, Katie Smith and Teresa Spreitzer

Others Present: Curtis Sizemore, Community Trust Bank, Inc.

KJRA Project (Supplemental)

Chairman Hale called on staff to present the proposed KJRA supplemental project to the Authority.

Toyota Motor Manufacturing Kentucky, Inc.

Scott County

Katie Smith stated Toyota Motor Manufacturing, Kentucky, Inc., known as TMMK, in Georgetown represents Toyota's first wholly owned manufacturing facility in the United States. TMMK currently builds the Camry, Camry Hybrid, Avalon, Avalon Hybrid and Lexus ES350, and the facility also machines and assembles four-cylinder & V-6 engines, axles, steering and engine components. The plant includes 8.1 million square feet on 1,300 acres with a production capacity of 550,000 vehicles and 600,000 engines, which is the company's largest plant in the world. The proposed project is to utilize the Toyota New Global Architecture, which is an integrated approach to developing powertrain components and vehicle platforms, at the first plant in North America. The project will replace aging equipment, implement new technologies, streamline processes and improve part handling and logistics in an effort to improve vehicle safety and quality and improve competitiveness. Additionally, a new paint shop will be added to the existing facility footprint.

Katie Smith

Michelle Elder

Michelle Elder stated the project investment is \$1,743,600,000 of which \$1,174,900,000 qualifies as KJRA recoverable costs. The highest jobs target over the term of the agreement is 7,880 with average hourly wages of \$45.47 including benefits. The state wage assessment participation is 4.0% and the City of Georgetown will participate at 0.5% with Scott County Fiscal Court participating at 0.5%.

The total cumulative investment of \$1,743,600,000 is required to be achieved by March 31, 2020. If the investment is less than \$1,569,000,000 (90% of the projected investment), the Total Negotiated Tax Incentive Amount will be reduced to equal the sum of \$146,500,000 (original incentive amount) plus 3.6% of the investment above \$531,200,000 (original projected investment). The term of the Agreement matures on March 31, 2027. TMMK will be subject to automatic reduction of available incentives for the succeeding fiscal year upon failure to achieve ninety percent (90%) of the job target in any year of the agreement term. The maximum annual incentive for the fiscal year following the year in which TMMK achieves less than 90% of the job target shall be reduced pro rata to the percentage of job target achieved for the prior fiscal year. The company will also be subject to suspension of claiming incentives for the succeeding fiscal year upon failure to achieve a job target of 6,739 full-time, Kentucky resident employees in any year of the agreement term after April 10, 2017. The amount not claimed during the suspension may be used as a carryforward amount in future years once compliance is confirmed.

Staff recommended approval of the amended KJRA negotiated tax incentive amount of \$190,000,000.

Aubrey Hayden moved to approve the staff recommendation, as presented; Dorsey Hall seconded the motion. Motion passed; unanimous.

Adjournment

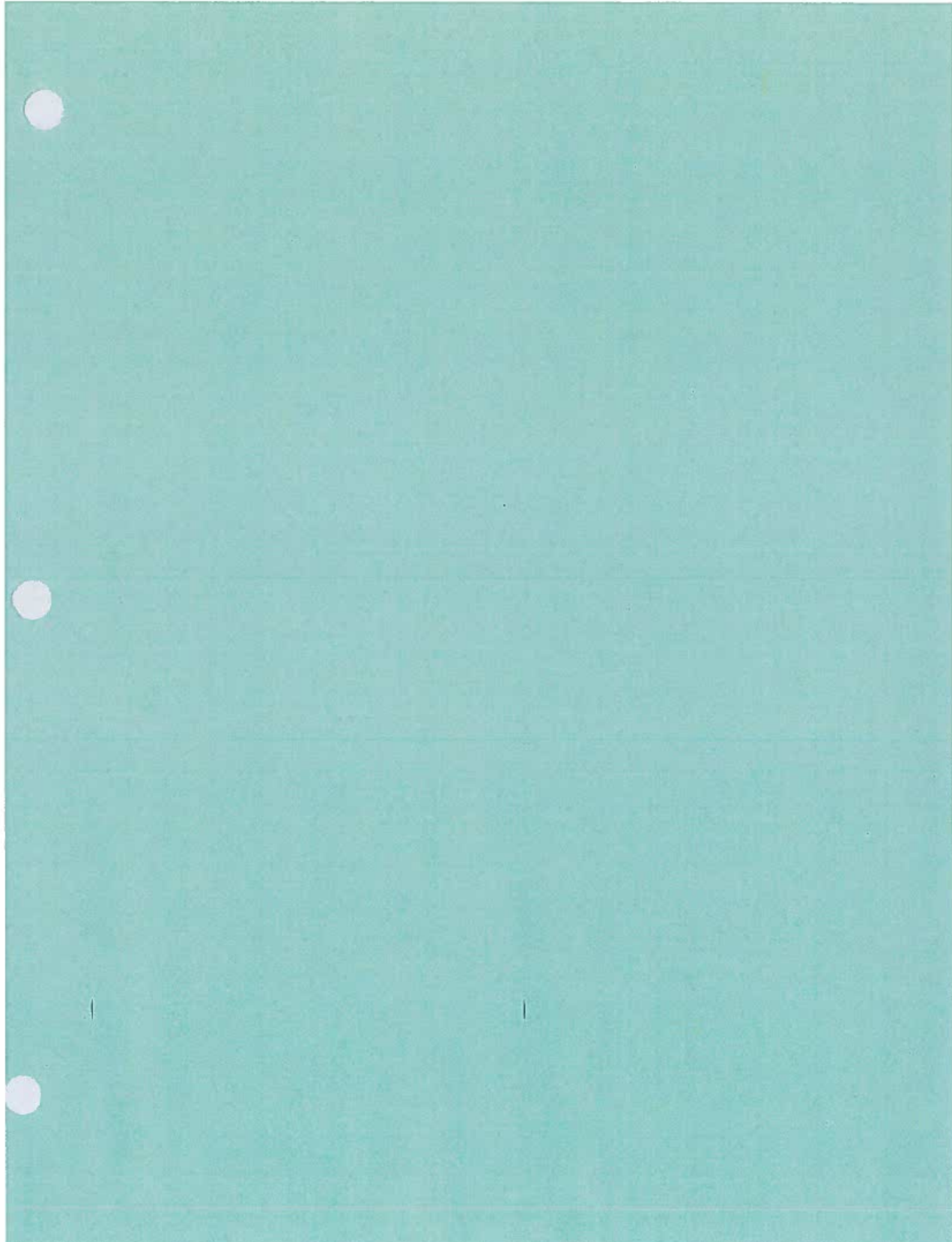
There being no further business, Chairman Hale entertained a motion to adjourn.

Mr. Hall moved to adjourn the KEDFA Special Board Meeting; Edwin King seconded the motion. Motion passed; unanimous.

The meeting adjourned at 9:36 a.m.

PRESIDING OFFICER:


Jean Hale, Chairman



KEDFA APPROVED AND NOT DISBURSED

3/31/2017

Approved and Undisbursed KEDFA Projects

Applicant	Form #	County	Date Approved	Commitment Expires	Project Amount
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KEDFA LOANS

City of Shepherdsville	21008	Bullitt	Apr-16	Apr-17	\$3,500,000
Franklin Simpson Industrial Authority	21396	Simpson	Dec-16	Dec-17	\$5,500,000

KEDFA GRANTS

Tri-County Economic Development Corporation		Kenton	Feb-17	Jun-23	\$2,000,000
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SMALL BUSINESS LOANS

None

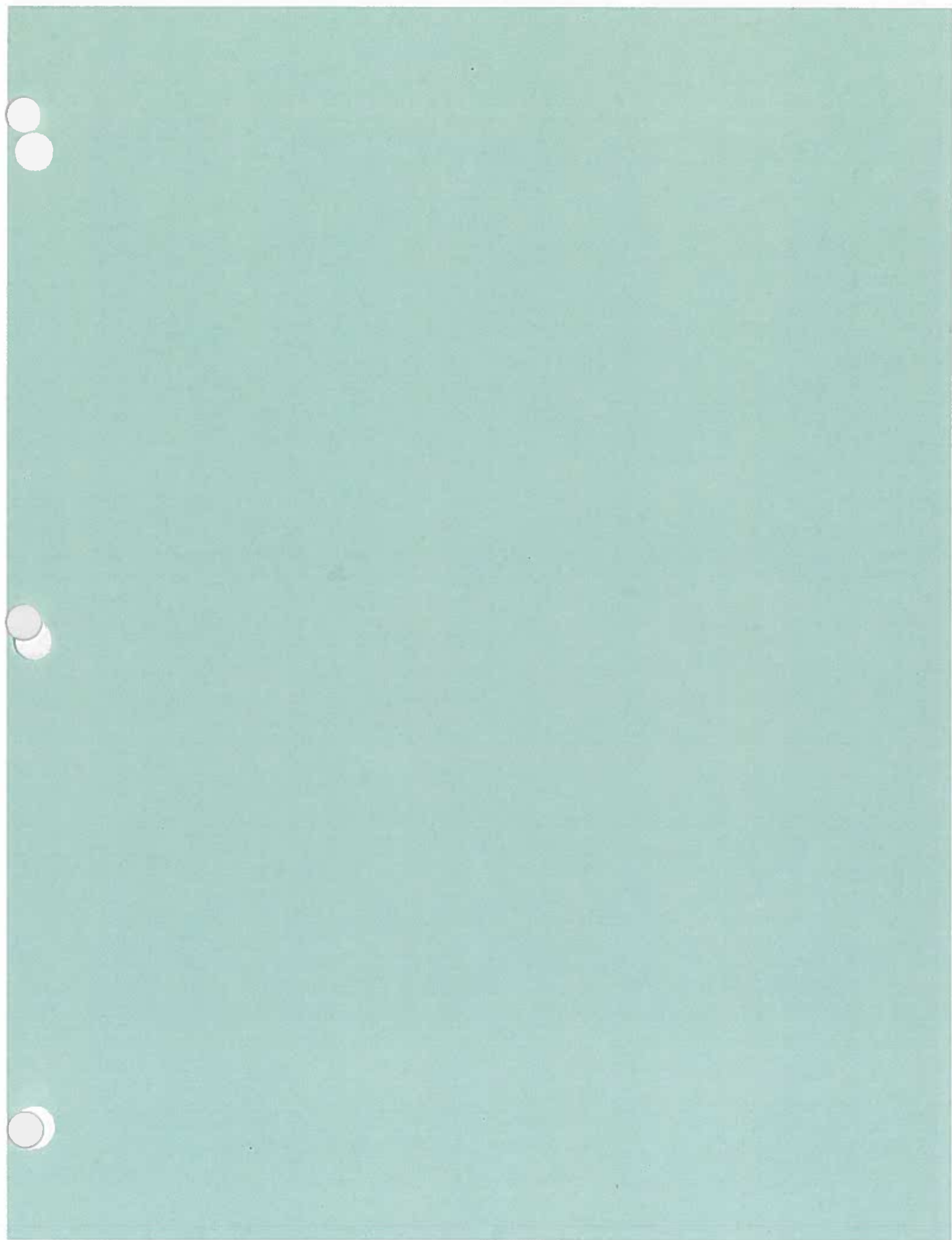
TOTAL APPROVED AND UNDISBURSED KEDFA PROJECT(S)**\$11,000,000****Approved and Partially Disbursed KEDFA Projects**

Applicant	Form #	County	Date Approved	Closing Date	Project Amount	Disbursed to Date	Remaining Balance
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KEDFA LOANS

Southeast KY Industrial Development Authority, Inc.	21185	Knox	Jul-16	Dec-16	\$2,000,000	(\$701,800)	\$1,298,200
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TOTAL APPROVED AND PARTIALLY DISBURSED KEDFA PROJECT(S)**\$1,298,200****TOTAL KEDFA APPROVED AND NOT DISBURSED****\$12,298,200**



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
STATEMENT OF NET POSITION
3/31/2017

	FUND A	BOND FUND	Small Bus. Loan Pool	KEDFA 3/31/17	OOE 3/31/17	COMBINED 3/31/17
<u>ASSETS</u>						
Cash & Accounts Receivable						
Operating Account	14,462.43	0.00	0.00	14,462.43	0.00	14,462.43
Cash	3,141,547.85	15,615,175.20	396,771.40	19,153,494.45	0.00	19,153,494.45
High Tech Construction Pool	0.00	0.00	0.00	0.00	137,500.00	137,500.00
High Tech Investment Pool	0.00	0.00	0.00	0.00	3,027,793.93	3,027,793.93
High Tech LGEDF Pool	0.00	0.00	0.00	0.00	4,043.88	4,043.88
Investment Account	0.00	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	0.00	0.00	0.00	0.00	0.00
Intergovernment Receivable	11,000,000.00	0.00	0.00	11,000,000.00	1,428,795.49	12,428,795.49
Total Cash & Accounts Receivable	14,156,010.28	15,615,175.20	396,771.40	30,167,956.88	4,598,133.30	34,766,090.18
Accrued Interest Receivable						
Loans	37,280.03	5,073.75	0.00	42,353.78	(606.60)	41,747.18
Investments	684.43	3,377.43	85.84	4,147.70	0.00	4,147.70
Total Accrued Interest Receivable	37,964.46	8,451.18	85.84	46,501.48	(606.60)	45,894.88
Notes Receivable						
Loans Receivable	18,827,573.84	2,292,699.89	0.00	21,120,273.73	40,634.00	21,160,907.73
(Allowance for Doubtful Accounts)	0.00	0.00	0.00	(1,224,163.61)	0.00	(1,224,163.61)
Total Notes Receivable	18,827,573.84	2,292,699.89	0.00	19,896,110.12	40,634.00	19,936,744.12
TOTAL ASSETS	33,021,548.58	17,916,326.27	396,857.24	50,110,568.48	4,638,160.70	54,748,729.18
DEFERRED OUTFLOWS OF RESOURCES				443,000.00	0.00	443,000.00
<u>LIABILITIES</u>						
Accrued Salaries & Compensated Absences				355,518.86	0.00	355,518.86
Accounts Payable					0.00	0.00
Intergovernment Payable				2,166.94	1,500.00	3,666.94
Grants Payable				0.00	0.00	0.00
Pension Liability				7,492,000.00	0.00	7,492,000.00
TOTAL LIABILITIES				7,849,685.80	1,500.00	7,851,185.80
DEFERRED INFLOWS OF RESOURCES				0.00	0.00	0.00
<u>NET POSITION</u>						
Beginning Balance				34,062,296.85	4,395,900.70	38,458,197.55
Current Year Undivided Profits				8,641,585.83	240,760.00	8,882,345.83
TOTAL NET POSITION				42,703,882.68	4,636,660.70	47,340,543.38

NOTE 1 The Small Business Loan Pool is presented separately only for internal tracking purposes.

NOTE 2 The Office of Entrepreneurship (OOE) operating transactions are no longer under the direction of KEDFA and are not reflected above.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
CONSOLIDATED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE MONTH ENDING AND FISCAL YTD MARCH 31, 2017

	FUND A	BOND FUND	Small Bus Loan Pool	OOE FUND	FY 2016-2017 YEAR TO DATE	FY 2015-2016 YEAR TO DATE
Operating Revenues - KEDFA						
Interest Income/Loans	19,685.37	4,075.84	0.00	0.00	181,037.58	164,729.70
Interest Income/ Investments	684.43	3,377.43	85.84	0.00	12,005.43	1,356.52
Late Fees	0.00	75.00	0.00	0.00	75.00	853.68
Application Fees	43,722.00	0.00	0.00	0.00	503,270.54	384,090.33
Miscellaneous Income	133.33	0.00	0.00	0.00	272.44	253.65
Total Operating Revenues - KEDFA	64,225.13	7,528.27	85.84	0.00	696,660.99	551,283.88
Operating Expenses - KEDFA						
Salaries	81,686.70				869,838.21	785,982.85
Employee benefits	57,446.72				579,872.32	521,413.91
Pension Liability Adjustment	0.00				0.00	0.00
Other Personnel Costs	300.00				300.00	0.00
Contracted Personal Services	8,094.82				102,348.28	114,124.63
Utilities and Heating Fuels	0.00				0.00	0.00
Rentals	0.00				0.00	0.00
Maintenance and Repairs	0.00				0.00	0.00
Postage and Related Services	3.02				17.24	14.73
Telecommunications	0.00				0.00	0.00
Computer Services	0.00				0.00	0.00
Supplies	0.00				0.00	0.00
Miscellaneous Services	0.00				0.00	0.00
Travel	225.20				2,065.11	2,171.40
Miscellaneous Commodities	0.00				634.00	396.75
Commodities Expense	0.00				0.00	219,830.71
Bad Debt Expense	0.00				0.00	0.00
Grant Disbursement	0.00				0.00	0.00
Total Operating Expenses - KEDFA	147,756.46	0.00	0.00	0.00	1,555,075.16	1,643,934.98
Income (Loss) from Operations - KEDFA	(83,531.33)	7,528.27	85.84	0.00	(858,414.17)	(1,092,651.10)
Non-Operating Revenues (Expenses) - KEDFA						
Operating Transfer Out - General Fund	0.00				0.00	0.00
Transfer Due from Bonds	0.00				9,500,000.00	0.00
Grants Disbursed	0.00				0.00	0.00
Operating Transfer In - Economic Dev	0.00				0.00	22,775.04
Unrealized Gains/(Losses) on Investment	0.00				0.00	0.00
Realized Gains/(Losses) on Investment	0.00				0.00	0.00
Total Non-Operating Revenues (Expense)	0.00	0.00	0.00	0.00	9,500,000.00	22,775.04
CHANGE IN NET POSITION - KEDFA	(83,531.33)	7,528.27	85.84	0.00	8,641,585.83	(1,069,876.06)
Operating Revenues (Expenses) - OOE						
Interest Income - Loans				70.40	899.09	1,258.85
Misc Income				0.00	0.00	0.00
Disbursements: Projects (Note 1)				0.00	(401,574.51)	(684,963.69)
Repayments received from Projects				0.00	405,723.04	273,446.00
						0.00
Non-Operating Revenues (Expenses) - OOE						0.00
Operating Transfer In - OOE				0.00	0.00	0.00
Transfer Due from Bonds				0.00	700,000.00	(350,000.00)
Operating Transfer Out - OOE				0.00	(464,287.62)	(353,415.20)
CHANGE IN NET POSITION - OOE	0.00	0.00	0.00	70.40	240,760.00	(1,113,674.04)
CHANGE IN NET POSITION - COMBINED	(83,531.33)	7,528.27	85.84	70.40	8,882,345.83	(2,183,550.10)

NOTE 1 Represents disbursements for projects from OOE Funds. (See OOE listings for detail of approved projects)

NOTE 2 Statement does not include interest income for OOE that is swept monthly to OOE's operating account

NOTE 3 The Small Business Loan Pool is presented separately only for internal tracking purposes.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
CASH POSITION STATEMENT
3/31/2017

	<u>3/31/2016</u>	<u>3/31/2017</u>
Fund A Cash Balance	\$3,358,862.21	\$3,141,547.85
Less: Approved/Undisbursed	<u>0.00</u>	<u>0.00</u>
Total Unobligated Balance	\$3,358,862.21	\$3,141,547.85
2003 Bond Fund Cash Balance	\$14,085,283.36	\$15,615,175.20
Less: Approved/Undisbursed	<u>0.00</u>	<u>(12,298,200.00)</u>
Total Unobligated Balance	\$14,085,283.36	\$3,316,975.20
Small Business Loan Fund Cash Balance	\$392,043.02	\$396,771.40
Less: Approved/Undisbursed	<u>0.00</u>	<u>0.00</u>
Total Unobligated Balance	\$392,043.02	\$396,771.40
Bond Funds to be Provided for Loans	\$0.00	\$0.00
Less: Approved/Undisbursed	<u>0.00</u>	<u>0.00</u>
Total Unobligated Balance	\$0.00	\$0.00
Budget: Cash to be Transferred to Other CED Programs for	<u>\$0.00</u>	<u>\$0.00</u>
CASH AVAILABLE	<u>\$17,836,188.59</u>	<u>\$6,855,294.45</u>
OCI Fund Cash Balance		
High Tech Construction Pool	\$137,500.00	\$137,500.00
Less: Approved/Undisbursed	\$0.00	\$0.00
High Tech Investment Pool	\$3,151,293.93	\$3,026,293.93
Less: Approved/Undisbursed	(\$1,195,372.00)	(\$2,168,798.00)
LGEDF Pool	\$4,043.88	\$4,043.88
Less: Approved/Undisbursed	\$0.00	\$0.00
Bond Funds to be Provided for Approved Projects	\$1,030,370.00	\$1,428,795.49
Bond Funds Available for Projects	<u>\$0.00</u>	<u>\$0.00</u>
Total Unobligated Balance	\$3,127,835.81	\$2,427,835.30
TOTAL ALL FUNDS	<u>\$20,964,024.40</u>	<u>\$9,283,129.75</u>

**Kentucky Enterprise Initiative Act (KEIA) Projects
Fiscal 2017**

KEDFA Meeting date 4/27/2017

Total Projects Approved Fiscal Year-to-Date 41

Number of Proposed Projects for Current Month 4

Construction Materials and Building Fixtures

Fiscal Year Cap \$20,000,000

Approved Fiscal Year-to-Date \$8,412,000

Committed Amount \$0

Balance Available for Current Month \$11,588,000

Proposed Approval for Current Month \$505,000

Balance Available for Remainder of Fiscal Year \$11,083,000

Research & Development and Electronic Processing Equipment

Fiscal Year Cap \$5,000,000

Approved Fiscal Year-to-Date \$299,000

Committed Amount \$0

Balance Available for Current Month \$4,701,000

Proposed Approval for Current Month \$0

Balance Available for Remainder of Fiscal Year \$4,701,000

Project Update Report **April 2017**

Project	County	Approval Date	Exit Date	Program
<u>Clubessential</u> Explanation: Company withdrew from KBI Program per email dated December 13, 2016.	Kenton	07/28/2016	12/13/2016	KBI
<u>Grupo Antolin Kentucky, Inc.</u> Explanation: Company withdrew from KBI Program per email dated November 9, 2016.	Jefferson	10/29/2015	11/09/2016	KBI
<u>Integrity HR, Inc.</u> Explanation: Company withdrew from KBI Program per email dated February 9, 2017.	Jefferson	03/27/2017	02/09/2017	KBI
<u>XPO Logistics, Inc.</u> Explanation: Company withdrew from KBI Program per email dated March 7, 2017.	Jefferson	09/26/2013	03/07/2017	KBI
<u>XPO Logistics, Inc.</u> Explanation: Company withdrew from KBI Program per email dated March 7, 2017.	Campbell	09/26/2013	03/07/2017	KBI

Project Update Report
April 2017

Project	County	Approval Date	Exit Date	Program
Venture Industries, LLC	Boyle	01/29/2015	4/12/2017	KBI

Explanation:

Project is dead per Brian Jones (President) they were unable to get any contracts.

Office of Compliance, Financial and Administrative Services
Monthly Monitoring Report as of March 31, 2017

Financial Incentives Programs

Program	Projects Contacted	Projects Monitored	Defaults	Repayments	Completed Exhibits
KBI	125	81	0	0	18
IELA	1	0	0	0	0
KEIA	49	0	0	0	1
KIDA	2	4	0	0	4
KJDA	6	7	0	0	1
KREDA	2	20	0	0	19
KIRA	0	0	0	0	0
KJRA	0	0	0	0	0
KIFA	0	17	0	0	0
KESA	0	0	0	0	0
KRA	3	13	0	0	1
KALA	49	49	0	0	0
TIF	5	2	0	0	0
Totals	242	193	0	0	44

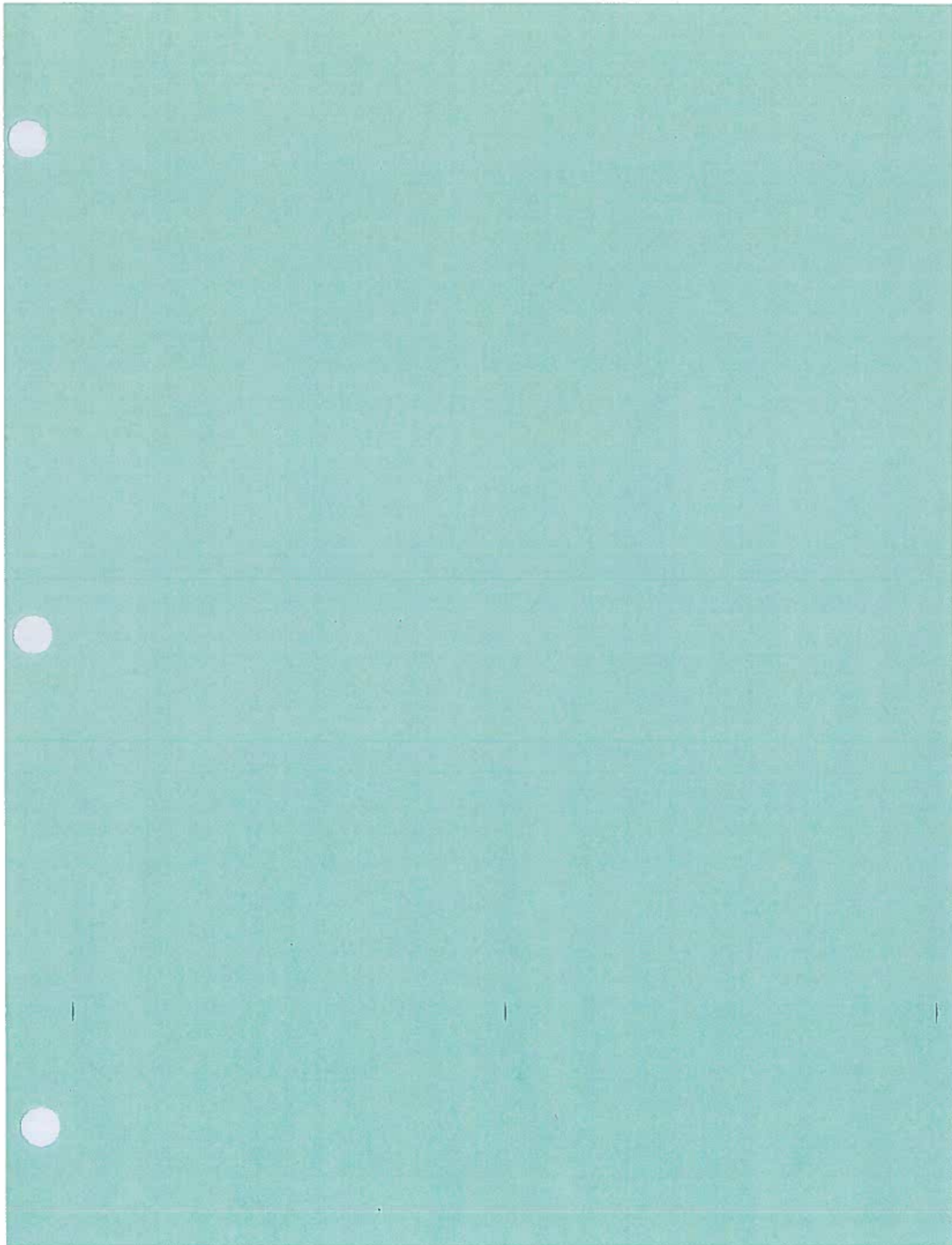
Cash Based Programs

Program	Projects Contacted	Projects Monitored	Defaults	Repayments	Completed Exhibits
HTP	13	5	0	0	0
Direct Loans	0	0	0	0	0
EDB	10	4	0	0	1
Totals	23	9	0	0	1

Projects Contacted - This category reflects phone calls, e-mails, or other less involved questions.

Projects Monitored - This category includes review of specific aspects of a project which requires research of a file or a more in-depth examination.

Completed Exhibits - Project's Fiscal Year End exhibits have been monitored for the year.



MEMORANDUM

TO: KEDFA Members

FROM: Caroline Boeh Baesler

DATE: April 27, 2017

RE: Nucleus, Kentucky's Life Sciences and Innovation Center, LLC
Louisville, KY – LTH Innovation Center

In July 2007, KEDFA approved the designation of \$3,000,000 from the High-Tech Investment Pool for companies locating in the high-tech business accelerator known at the time as "Cluster One," now renamed as the Nucleus Innovation Park located in Louisville, Kentucky. In July 2011, Nucleus requested and KEDFA approved a reallocation of the grant funds to provide \$100,000 for leasehold improvements and \$900,000 for up-fit for a Long-Term Health Incubator/Accelerator/Simulation Center ("LTH Innovation Center") on the Nucleus campus.

After some delays in the project, in September of 2016, KEDFA approved the use of the remaining \$880,370 grant funds for leasehold improvements for the LTH Innovation Center, now known as The Thrive Center, to be located in the Dulworth building on the Nucleus campus. Permitted uses were consistent with prior agreements and the new grant agreement had a deadline for disbursement requests of April 30, 2017, and required all funds to be disbursed by May 30, 2017.

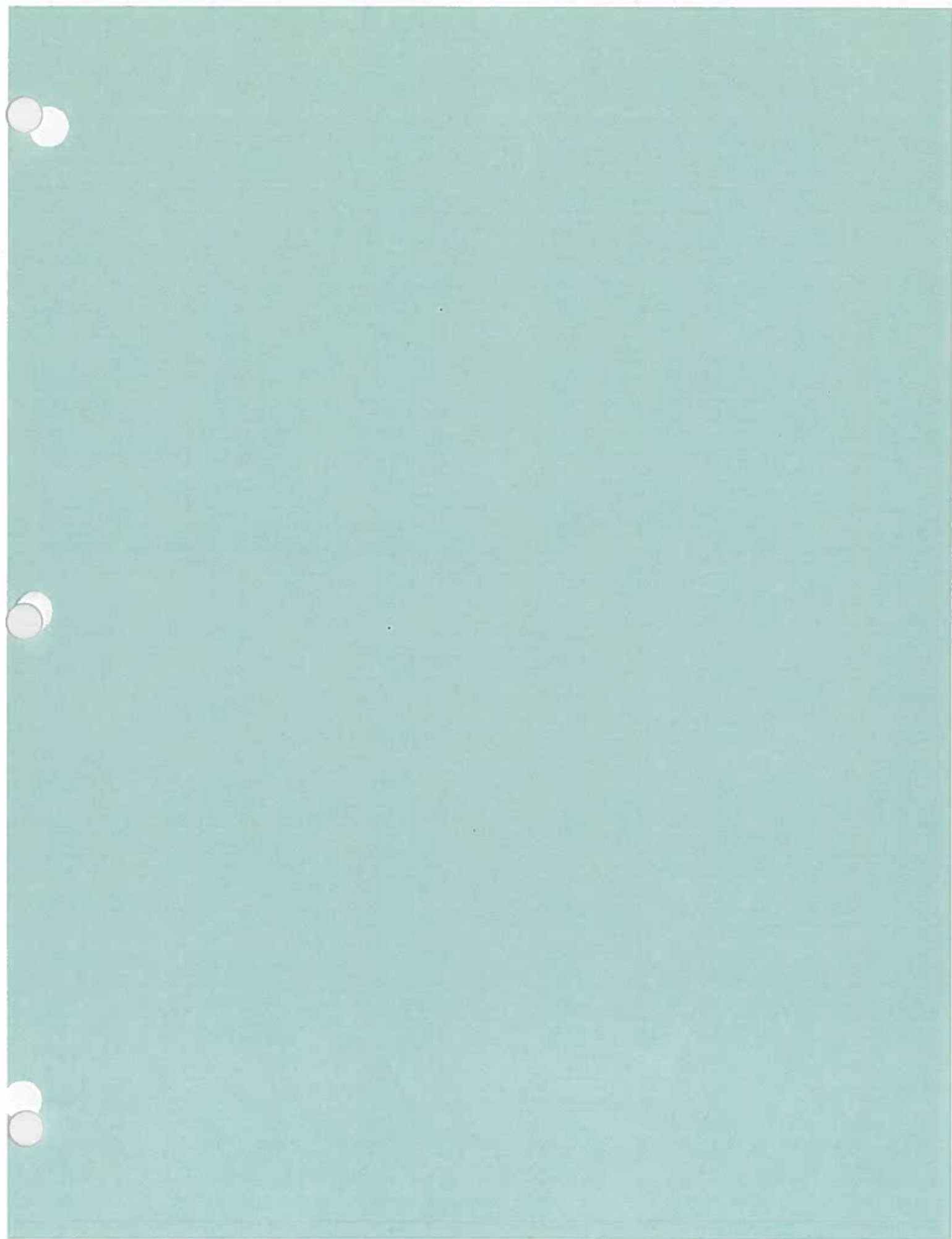
Nucleus now requests an extension of time for disbursements to November 30, 2017. Construction on The Thrive Center is underway and the extension is needed to complete construction and the work being done by the various technology partners (CDW, Piper, Samsung, Rendeever, SingFit, VirtuSense, HP, etc.).

Staff recommends approval of the amendment request.

Recommended for approval by the Office of Entrepreneurship.

Mandy Lambert, Acting Executive Director

Date



**TAX-EXEMPT GOVERNMENTAL UNIT/STATUTORY AUTHORITY ISSUANCE
OF INDUSTRIAL REVENUE BONDS (IRB)**

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY REQUEST
FOR REDUCTION IN STATE AD VALOREM TAX RATE**

Date: April 27, 2017
Issuer: Warren County Fiscal Court
Company: NP Bowling Green, LLC
City: Bowling Green
Project Type: New
Bus. Dev. Contact: A. Germond

County: Warren
Resolution #: LIRB-2017-01
OFS Staff: D. Phillips

Project Description: NP Bowling Green, LLC, a development group, is considering the acquisition and construction of an industrial building to be leased to General Motors who will use the facility to house various suppliers who provide parts and supplies in support of operations at GM's Bowling Green Assembly plant.

Proposed Issuance Date	Principal amount of IRB authorization	Term of Bond (years)
May 2017	up to \$18,308,000	20

New, Full-time Jobs to be Created	Average Annual Salary
75	\$55,000

Anticipated Financed Project Costs

Land	\$1,342,500
Building/Improvements	\$13,225,500
Equipment	\$3,240,000
Infrastructure	\$500,000
TOTAL	\$18,308,000

Active State Participation at the Project Site: None

Unemployment Rate:

County: 4.3%

Kentucky: 5.5%

Projected New Net Tax Revenues to be Received Over the Term of the IRB

Excluding other state tax credits and incentives approved for the project, if fully utilized by the company. These projections are provided by the company and are not verified by the Cabinet.

State Tax Revenues	\$4,947,971
Local Tax Revenue	\$2,238,605
TOTAL	\$7,186,576

Requested % Reduction in the Ad Valorem	Projected Tax Savings over Bond Term
State: * 75% for years 1-8; 50% for years 9-13; 25% for years 14-20	\$294,800
Local: * 75% for years 1-8; 50% for years 9-13; 25% for years 14-20	\$789,250

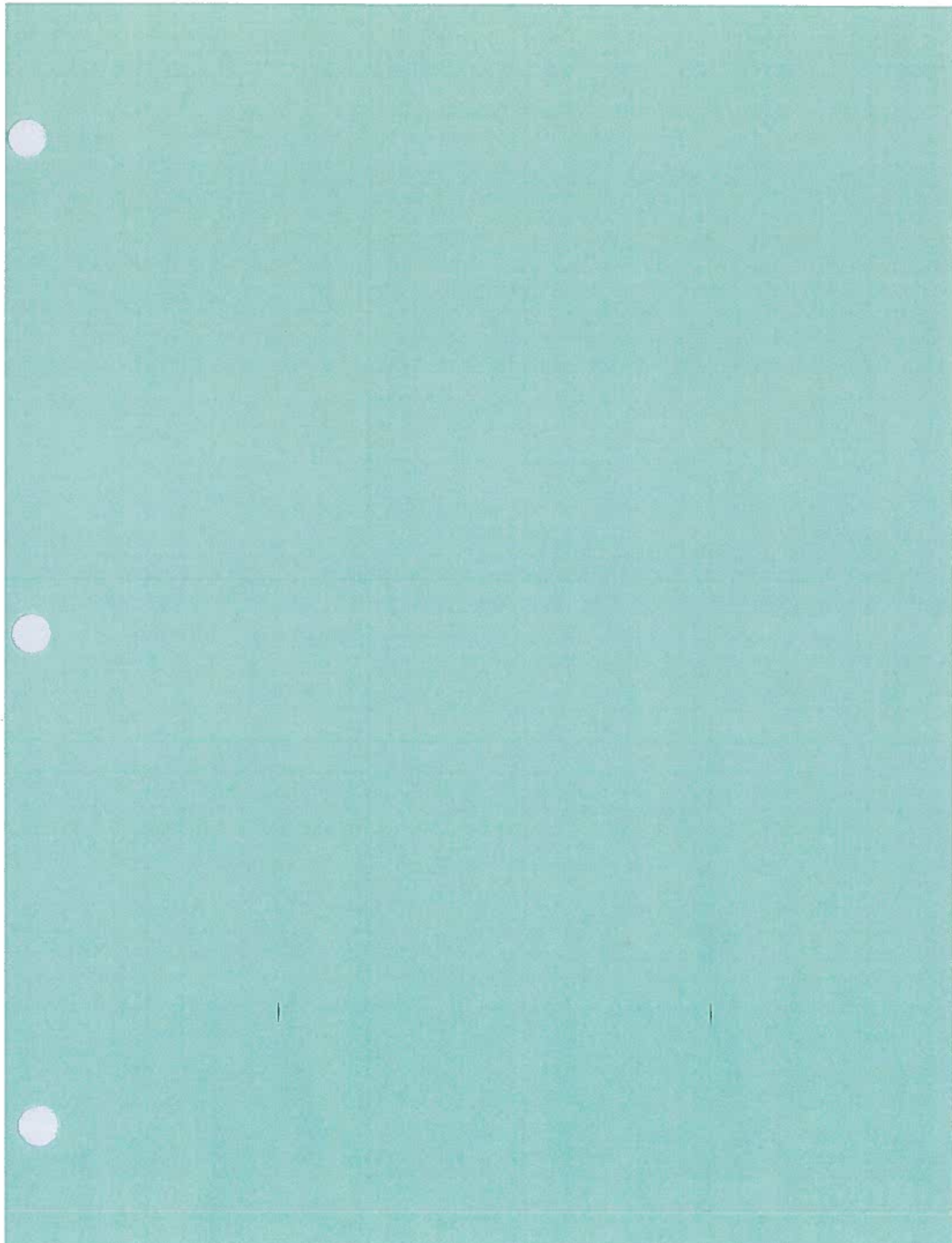
Payments will be made by the Company in lieu of taxes to the following:
Board of Education of Warren County

Recommendation:

Staff recommends approval of the requested percentage reduction in the state ad valorem tax rate on the industrial building and equipment proposed to be financed through the issuance of the industrial revenue bonds.

*Note the City of Bowling Green, Warren County Fiscal Court and the Board of Education anticipate entering into a PILOT agreement with the Company which indicates that the abatement percentage reduction rate may be adjusted by the local authorities should certain requirements not be achieved by the Company. Warren County Fiscal Court or any other local entity involved with the PILOT Agreement will be responsible for notifying the Kentucky Department of Revenue if the local participation rate is reduced below the above rates so the state ad valorem reduction is consistent with the local participation.

Note that the KEDFA board is not making any type of determination as to the legality of the bonds to be issued by the above-referenced issuer, but is only approving the reduction on the ad valorem tax rate as provided by KRS 103.200 and KRS 132.020.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEDFA GRANT PROJECT REPORT**

Date: April 27, 2017
Grantee: Louisville/Jefferson County Metro Government
Beneficiary: Louisville Waterfront Development Corporation
City: Louisville **County:** Jefferson
Activity: Tourism
Bus. Dev. Contact: Mandy Lambert **OFS Staff:** Kylee Palmer
TAH Contact: Jay Hall

Project Description: Since its inception over 25 years ago, Louisville Waterfront Park has become a new town commons for the city, a central gathering space for events and celebrations. It has sparked an estimated \$1.3 billion investment in the Waterfront District, including residential apartments and condominiums, Louisville Slugger Field, and the Yum! Center sports and concert arena. The park has garnered attention from other waterfronts from around the world and is one of five international cities featured in a 2014 exhibit at the Smithsonian Anacostia Community Museum in Washington, DC. Waterfront Park hosts more than 150 events per year, including several large events that have a significant impact on the local and state economy.

Waterfront Park is a powerful economic engine for the Commonwealth. A recent economic study completed by the University of Louisville College of Business showed that given an annual attendance of 1.5 million visitors, Waterfront Park can be expected to generate \$12.6 million in taxes from nearly \$91 million dollars of secondary sales this year, which does not include taxes from event tickets. It has created a beautiful new front door to the Commonwealth from what was once an inaccessible eyesore. When development began in 1986, there were fewer than 400 employees in the entire Waterfront District. Today, that employment number has increased by nearly 2000%, and workers are joined by residents and more than 2 million visitors to Waterfront Park every year.

Three capital requests have been submitted for replacement equipment and venue improvement/refurbishment for Louisville Waterfront Park:

Replace existing high-mast lighting fixtures on the Great Lawn with energy efficient Q-LED fixtures.
Upgrade/renovate the Adventure Playground/Waterplay Area.
Replace worn out park maintenance/mowing equipment.
TOTAL

Total Investment
\$162,000
\$100,000
\$114,073
\$376,073

Disbursement: Funds to be disbursed on a reimbursement basis and all funds to be disbursed by June 30, 2018.

Additional Project Information:

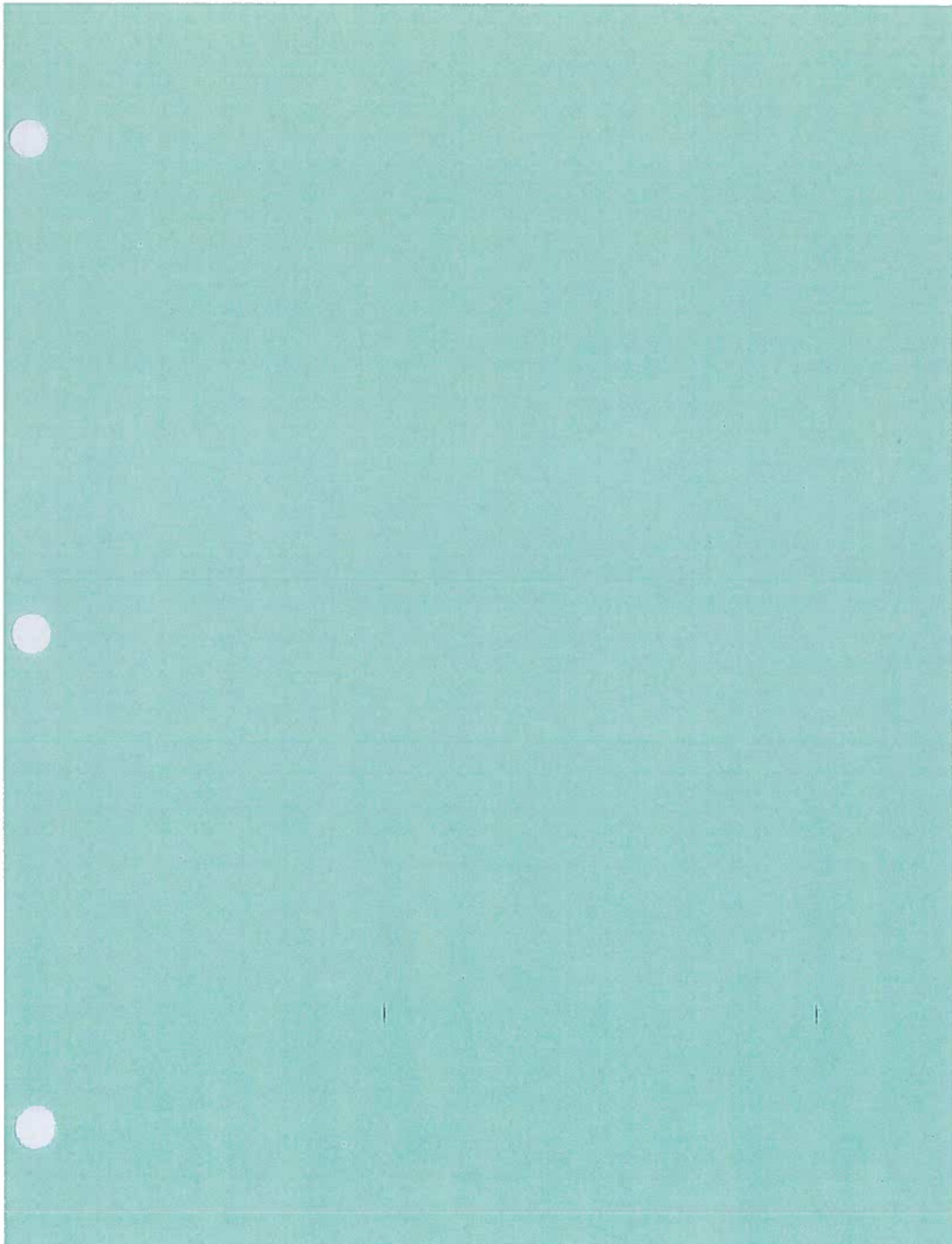
Funding for this project was initially included as a line item in the fiscal 2016-2018 budget, which would have had a direct and significant impact on CED's operating budget. The Governor vetoed the funding, and CED agreed to consider supporting the project with funding authorized in its capital projects budget, subject to information provided by the project.

RECOMMENDED KEDFA GRANT AMOUNT: **\$376,073**

Recommendation:


Secretary Parkinson with the Tourism, Arts, and Heritage Cabinet provided a letter of recommendation for this project.

Staff recommends approval of this KEDFA grant subject to the terms set forth in this report.



MEMORANDUM

TO: KEDFA Board

FROM: Robert Aldridge, Assistant Director 
Compliance Division

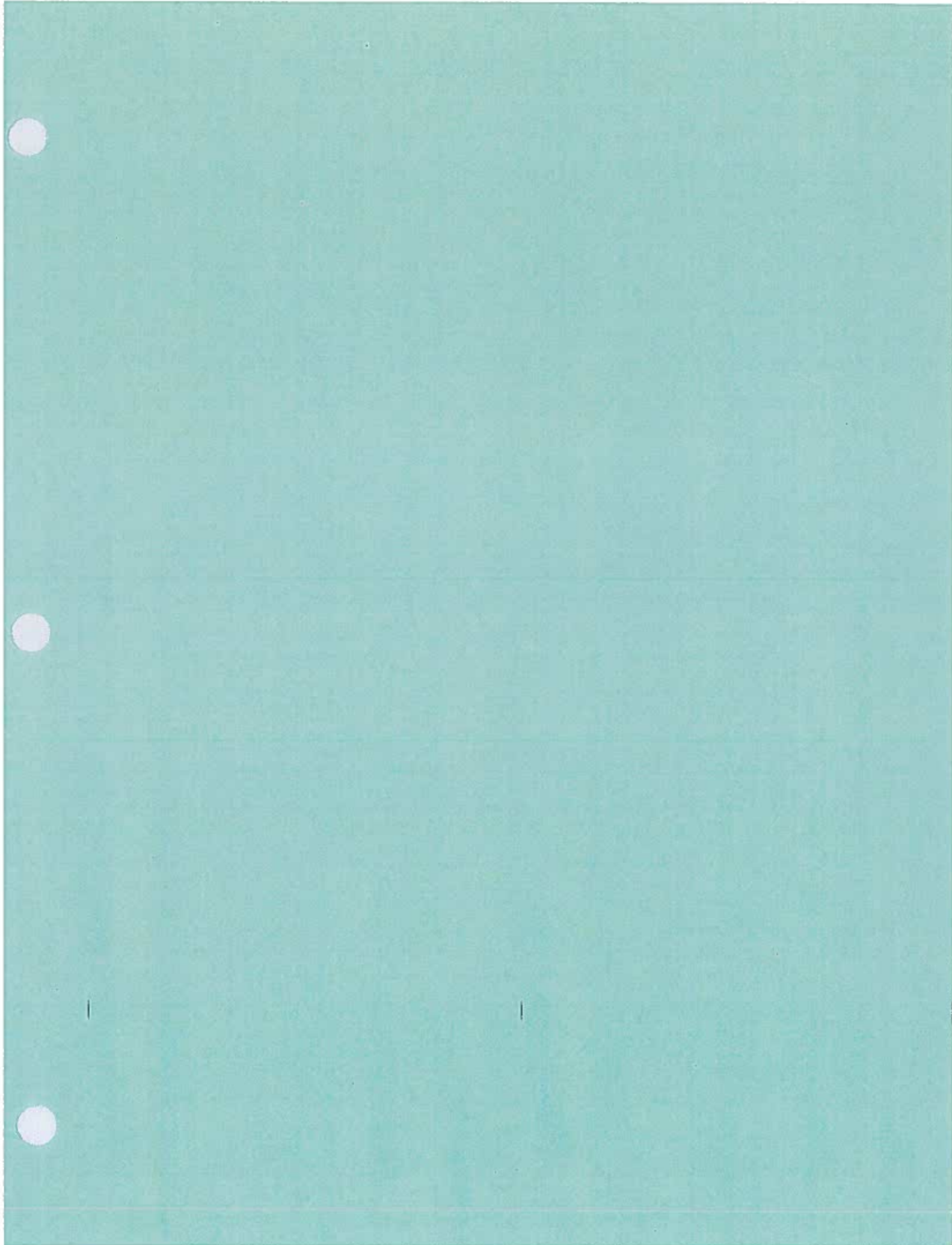
DATE: April 27, 2017

SUBJECT: KBI Amended and Restated Tax Incentive Agreement
Southern Air, Inc. (Boone County)
KBI Project # 18999

Southern Air, Inc. is an air cargo carrier headquartered in Norwalk, Connecticut that leases freight aircraft and crews to numerous other airlines. The company received Final Approval on January 30, 2014 for a KBI project to assist with the relocation of the operations segment of its business to Florence, Kentucky. The project activated on February 1, 2014.

As a result of corporate restructuring, the company requested that two affiliated entities, Worldwide Air Logistics Group, Inc. and Atlas Air, Inc., be added to the KBI project as Approved Affiliates. Both of these affiliates operate at the project site at Turfway Road in Florence. This amendment recognizes Worldwide Air Logistics Group, Inc. and Atlas Air, Inc. as approved affiliates under the Amended and Restated Tax Incentive Agreement. All other aspects of the project remain the same.

Staff recommends approval.



MEMORANDUM

TO: KEDFA Board Members

FROM: Robert Aldridge, Assistant Director
Compliance Division

DATE: April 27, 2017

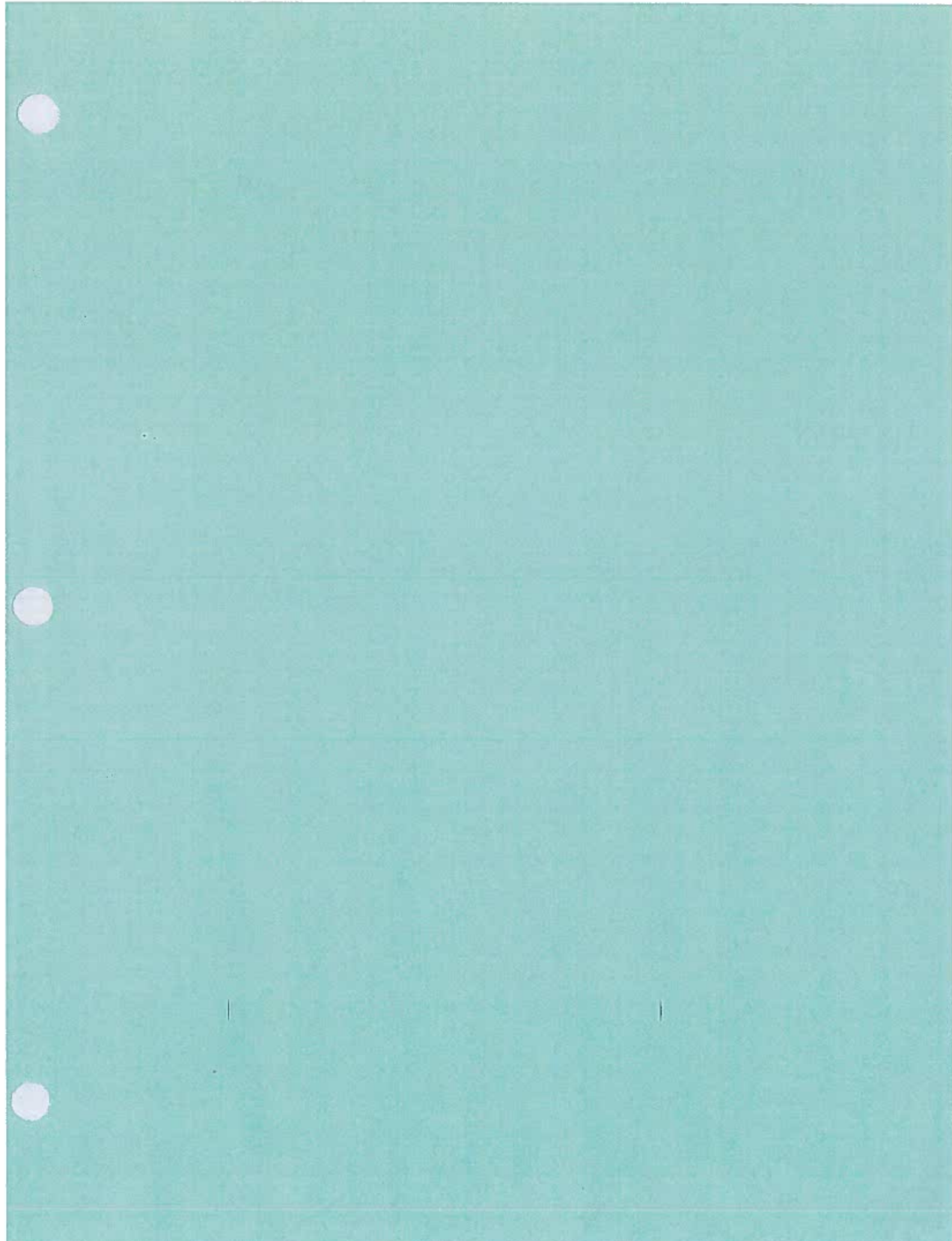
SUBJECT: KEIA Extensions



The following companies have requested additional time to complete their projects:

Company	County	Extension
Heaven Hill Distilleries, Inc.	Nelson	3 Months
Somerset Center Hotel LP	Pulaski	3 Months
Steel Ventures Incorporated	Greenup	3 Months
Fischbach USA Inc.	Hardin	4 Months
Isopure, Corporation	Shelby	4 Months
L'Oreal USA Products, Inc.	Kenton	5 Months
Peristyle, LLC	Woodford	9 Months
Rut 'N Strut Distillery LLC	Shelby	12 Months

Staff recommends approval.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: April 27, 2017
Approved Company: Peristyle, LLC
City: Millville
Activity: Manufacturing
Bus. Dev. Contact: L. Ransdell

County: Woodford
Resolution #: KEIA-17-21579
OFS Staff: D. Phillips

Project Description: Peristyle, LLC began to produce and age its flagship bourbon product in November 2016. Due to increased interest and demand, the company is considering the expansion of its production and site areas, including a separate bottling facility, the restoration of additional tanks and processing equipment, and the renovation of another storage warehouse on-site.

Facility Details: Expanding existing operations

Anticipated Project Investment

Land
Building Construction
Electronic Processing Equipment
Research & Development Equipment
Other Equipment
Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$1,487,050	\$1,987,050
\$0	\$0
\$0	\$0
\$0	\$1,338,900
\$0	\$30,000
\$1,487,050	\$3,355,950

Ownership (20% or more):

Peristyle Holdings, LLC - Frankfort, KY

Other State Participation:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
May 29, 2014	KEIA - Tourism	Approve-Final	\$70,718
Apr 24, 2014	KEIA	Approve-Final	\$50,000
Apr 24, 2014	KBI	Approve-Prelim	\$200,000

Unemployment Rate

County: 3.5%

Kentucky: 5.5%

Existing Presence in Kentucky:

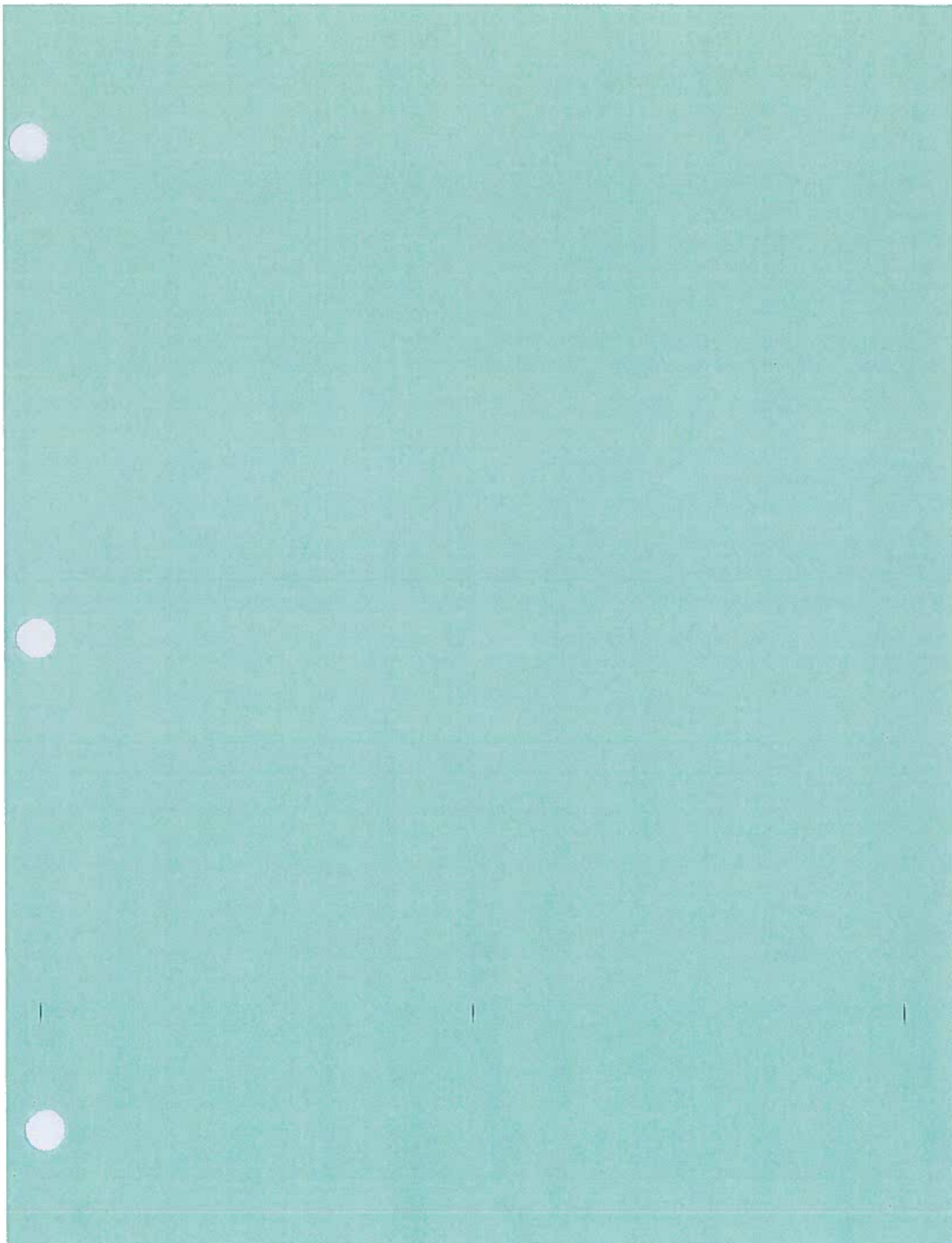
Woodford County

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$80,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$80,000



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: April 27, 2017
Approved Company: Bolivar Specialties, LLC
City: Louisville **County:** Jefferson
Activity: Manufacturing **Resolution #:** KEIA-17-21581
Bus. Dev. Contact: A. Germond **OFS Staff:** L. Cunningham

Project Description: Bolivar Specialties, LLC, established in 2003, is a supplier of concrete admixtures, concrete surface products, and raw materials to the construction industry. This expansion is necessary to support the growth of the company's business operator, RussTech, Inc. RussTech is the business operator of the company's construction industry products division which currently operates two manufacturing facilities in Jefferson County. This project would combine these two operations into a single facility.

Facility Details: Expanding existing operations

Anticipated Project Investment

Land
Building Construction
Electronic Processing Equipment
Research & Development Equipment
Other Equipment
Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$2,500,000	\$4,050,000
\$0	\$0
\$0	\$0
\$0	\$600,000
\$0	\$200,000
\$2,500,000	\$4,850,000

Ownership (20% or more):

Gary D. Russell - Louisville, KY

Other State Participation:

None

Unemployment Rate:

County: 4.7%

Kentucky: 5.5%

Existing Presence in Kentucky:

Jefferson County

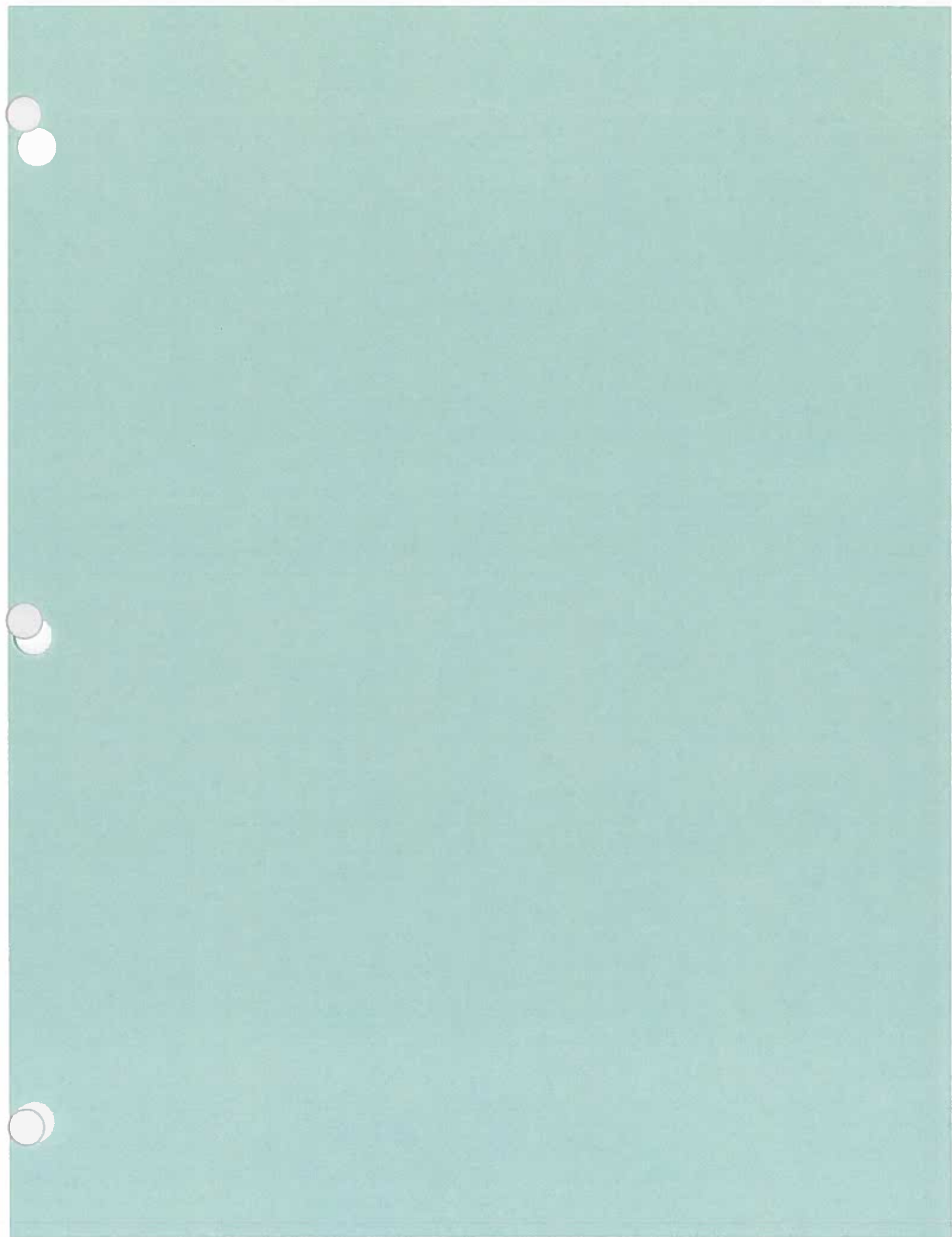
Approved Recovery Amount:

Construction Materials and Building Fixtures:

\$150,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$150,000



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**KBI REPORT - PRELIMINARY APPROVAL**

Date: April 27, 2017
Approved Company: Interapt, LLC
City: Louisville
Activity: Headquarters
Bus. Dev. Contact: A. Bobbitt

County: Jefferson
Prelim Resolution #: KBI-IL-17-21592
OFS Staff: L. Cunningham

Project Description: Interapt, LLC is a high-technology company focused on driving employee engagement and delivering customer excellence with mobile tools. The company has a suite of innovative mobile software and high-tech wearables for HR/People Operations, healthcare enterprises and media organizations. Interapt is considering establishing a corporate headquarters in Louisville to support its high-trajectory growth.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

Rent
Building/Improvements
Equipment
Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$330,000	\$660,000
\$2,610,000	\$2,610,000
\$170,000	\$170,000
\$250,000	\$250,000
\$3,360,000	\$3,690,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	55	\$28.00	
1	55	\$28.00	\$200,000
2	110	\$28.00	\$200,000
3	175	\$28.00	\$200,000
4	250	\$28.00	\$200,000
5	250	\$28.00	\$200,000
6	250	\$28.00	\$200,000
7	250	\$28.00	\$200,000
8	250	\$28.00	\$200,000
9	250	\$28.00	\$200,000
10	250	\$28.00	\$200,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$2,000,000

County Type:
Other

Statutory Minimum Wage Requirements:
Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Ownership (20% or more):
Ankur Gopal - Louisville, KY

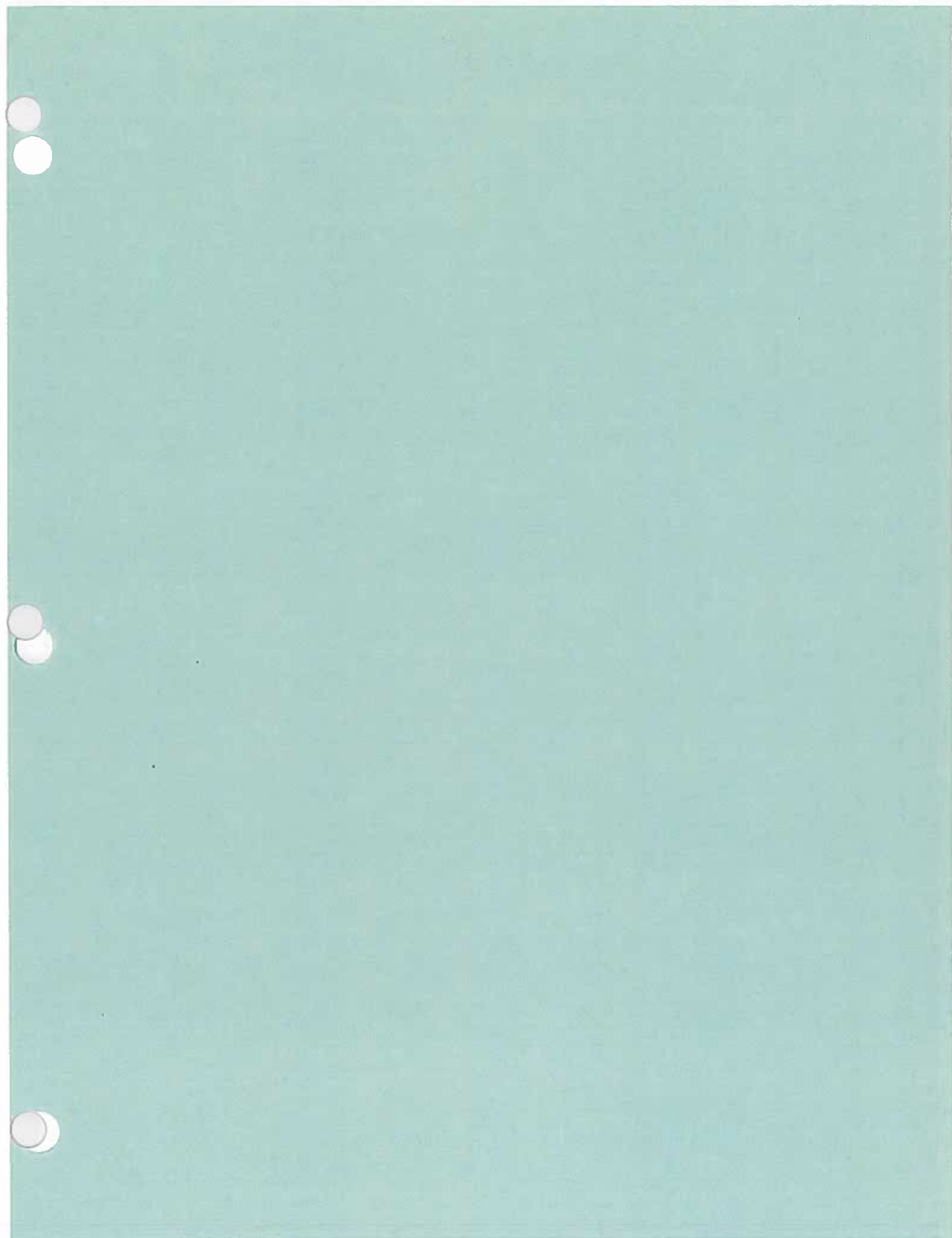
Active State Participation at the project site:
None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 1.0% - Louisville Metro Government

Unemployment Rate:
County: 4.7%
Kentucky: 5.5%

Existing Presence in Kentucky:
None

Special Conditions:
The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The company reported 1 full-time, Kentucky resident employee as of the application date.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: April 27, 2017
Approved Company: Interapt, LLC
City: Louisville
Activity: Headquarters
Bus. Dev. Contact: A. Bobbitt

County: Jefferson
Resolution #: KEIA-17-21593
OFS Staff: L. Cunningham

Project Description: Interapt, LLC is a high-technology company focused on driving employee engagement and delivering customer excellence with mobile tools. The company has a suite of innovative mobile software and high-tech wearables for HR/People Operations, healthcare enterprises and media organizations. Interapt is considering establishing a corporate headquarters in Louisville to support its high-trajectory growth.

Facility Details: Locating in a new facility

Anticipated Project Investment

Rent
Building Construction
Electronic Processing Equipment
Research & Development Equipment
Other Equipment
Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$660,000
\$1,610,000	\$2,610,000
\$50,000	\$50,000
\$0	\$0
\$0	\$120,000
\$0	\$250,000
\$1,660,000	\$3,690,000

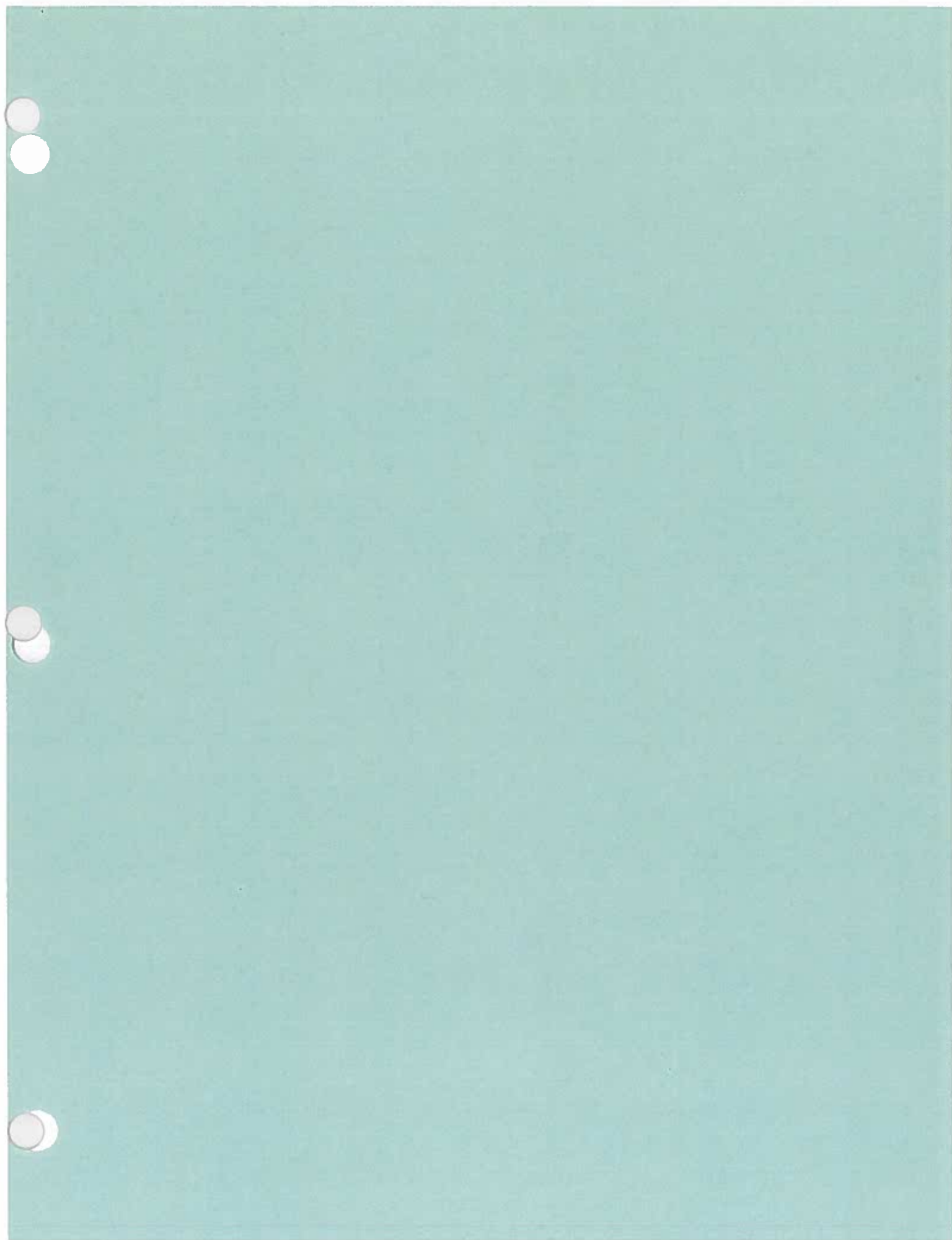
Approved Recovery Amount:

Construction Materials and Building Fixtures: \$75,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$75,000

See KBI file (KBI-IL-17-21592) for Ownership, Other State Participation and Unemployment Rate.



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**KBI REPORT - PRELIMINARY APPROVAL**

Date: April 27, 2017
Approved Company: Kobe Aluminum Automotive Products LLC
City: Bowling Green **County:** Warren
Activity: Manufacturing **Prelim Resolution #:** KBI-I-17-21532
Bus. Dev. Contact: C. Peek **OFS Staff:** M. Elder

Project Description: Kobe Aluminum Automotive Products LLC is a manufacturer of aluminum forging suspension for the automotive industry. The company is considering adding space to its current facility and the purchase of new equipment to capture additional business.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
Building/Improvements
Equipment
Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$11,702,000	\$11,702,000
\$2,580,000	\$31,403,000
\$8,222,000	\$8,222,000
\$22,504,000	\$51,327,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	129	\$27.00	
1	129	\$27.00	\$200,000
2	129	\$27.00	\$200,000
3	129	\$27.00	\$200,000
4	129	\$27.00	\$200,000
5	129	\$27.00	\$200,000
6	129	\$27.00	\$200,000
7	129	\$27.00	\$200,000
8	129	\$27.00	\$200,000
9	129	\$27.00	\$200,000
10	129	\$27.00	\$200,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$2,000,000

County Type:
Other

Statutory Minimum Wage Requirements:
Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Ownership (20% or more):

Kobe Steel, Ltd.	Tokyo, Japan
Mitsui & Co., Ltd	Tokyo, Japan

Active State Participation at the project site:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
Apr 30, 2015	KBI	Monitor	\$2,500,000
Oct 29, 2015	KBI	Approve/Prelim	\$2,700,000
Oct 29, 2015	KEIA	Approve/Final	\$300,000

Requested Wage Assessment / Local Participation:

State: 3.0%
Local: 1.0% City of Bowling Green

Unemployment Rate:

County: 4.3%
Kentucky: 5.5%

Existing Presence in Kentucky:

Warren County

Special Conditions:

The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The company reported 500 full-time, Kentucky resident employees as of the application date.



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**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: April 27, 2017
Approved Company: Kobe Aluminum Automotive Products LLC
City: Bowling Green **County:** Warren
Activity: Manufacturing **Resolution #:** KEIA-17-21533
Bus. Dev. Contact: C. Peek **OFS Staff:** M. Elder

Project Description: Kobe Aluminum Automotive Products LLC is a manufacturer of aluminum forging suspension for the automotive industry. The company is considering adding space to its current facility and the purchase of new equipment to capture additional business.

Facility Details: Expanding existing operations

Anticipated Project Investment

Land
Building Construction
Electronic Processing Equipment
Research & Development Equipment
Other Equipment
Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$7,021,200	\$11,702,000
\$0	\$0
\$0	\$0
\$0	\$31,403,000
\$0	\$8,222,000
\$7,021,200	\$51,327,000

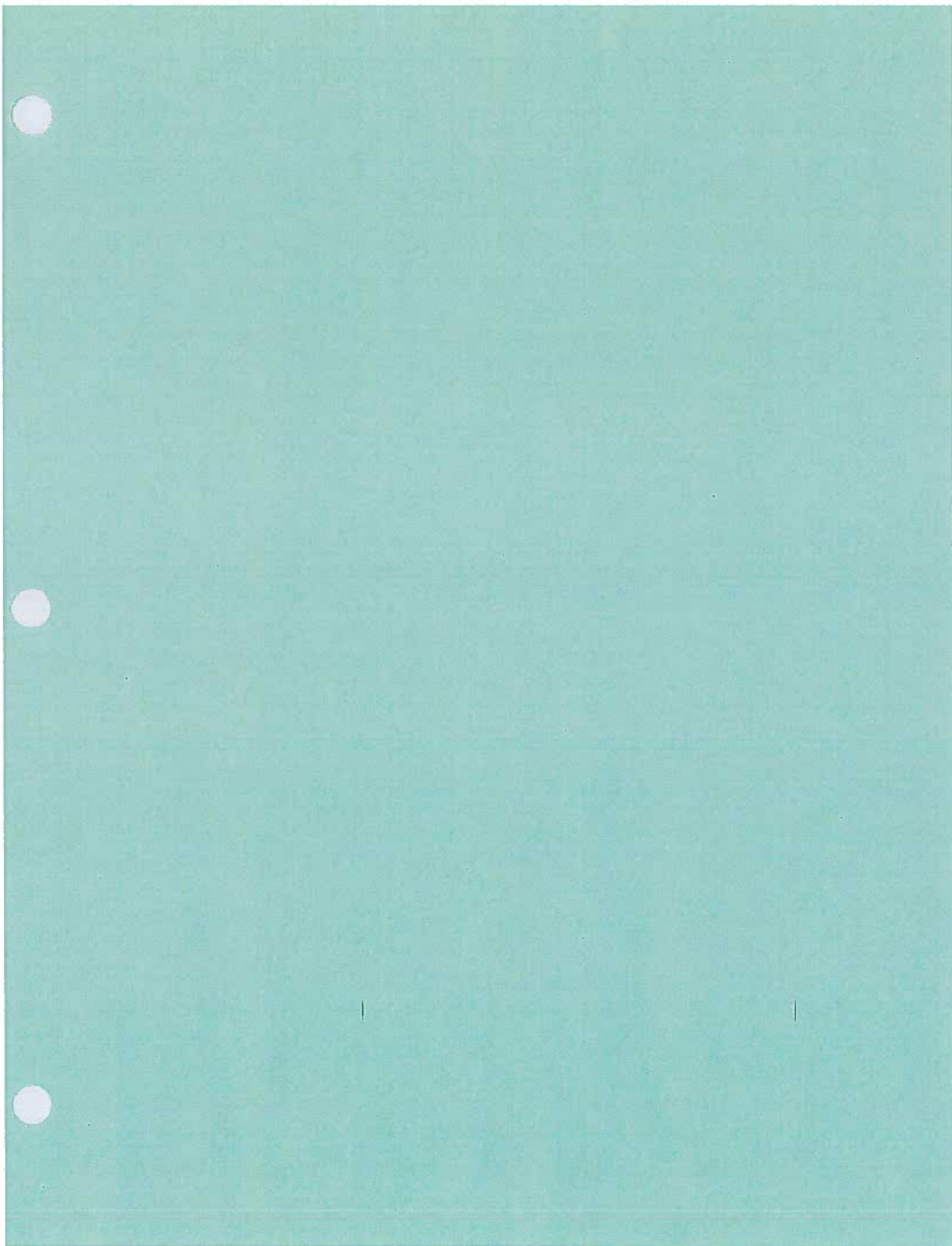
Approved Recovery Amount:

Construction Materials and Building Fixtures: \$200,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$200,000

See KBI file (KBI-I-17-21532) for Ownership, Other State Participation and Unemployment Rate.



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: April 27, 2017
Approved Company: KECH, Inc.
City: Williamsburg
Activity: Service & Technology
Bus. Dev. Contact: J. Ward

County: Whitley
Prelim Resolution #: KBI-IL-17-21578
OFS Staff: D. Phillips

Project Description: KECH, Inc., newly formed in 2016, provides turnkey services including all resources needed to fully outsource customer engagements such as facilities, skilled personnel, proven processes, and innovative technology to its clients. The project will include a contact center operation in Williamsburg to provide services to various government agencies.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

	Eligible Costs	Total Investment
Rent	\$90,000	\$180,000
Building/Improvements	\$30,000	\$30,000
Equipment	\$376,100	\$376,100
Other Start-up Costs	\$48,500	\$48,500
TOTAL	\$544,600	\$634,600

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	35	\$12.50	
1	35	\$12.50	\$35,000
2	35	\$12.50	\$35,000
3	35	\$12.50	\$35,000
4	35	\$12.50	\$35,000
5	35	\$12.50	\$35,000
6	35	\$12.50	\$35,000
7	35	\$12.50	\$35,000
8	35	\$12.50	\$35,000
9	35	\$12.50	\$35,000
10	35	\$12.50	\$35,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$350,000

County Type:

Enhanced

Statutory Minimum Wage Requirements:

Base hourly wage: \$9.06

Total hourly compensation: \$10.42

Ownership (20% or more):

Christine Carpenter Mooresville, NC

Kevin Woznick Stafford, VA

Active State Participation at the project site: None**Requested Wage Assessment / Local Participation:**

State: 5.0%

Unemployment Rate:

County: 6.5%

Kentucky: 5.5%

Existing Presence in Kentucky: None**Special Conditions:** None



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KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - PRELIMINARY APPROVAL

Date: April 27, 2017
Approved Company: iServe Products, Inc.
City: Hebron **County:** Boone
Activity: Service & Technology **Prelim Resolution #:** KBI-IL-17-21562
Bus. Dev. Contact: A. Germond **OFS Staff:** L. Cunningham

Project Description: iServe Products, Inc. ("iServe") was founded in January, 2013 as an online retailer and has since grown 400% each of the last 4 years. iServe is an Amazon Top Ten Seller of Health & Household and Beauty & Personal Care products. The company is looking strongly at Northern Kentucky for the relocation of their fulfillment center, due to the recent Amazon announcement.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased
 Rent
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$1,935,450	\$3,870,900
\$0	\$0
\$350,000	\$350,000
\$0	\$0
\$2,285,450	\$4,220,900

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	20	\$15.00	
1	50	\$15.00	\$30,000
2	100	\$15.00	\$30,000
3	100	\$15.00	\$30,000
4	100	\$15.00	\$30,000
5	100	\$15.00	\$30,000
6	100	\$15.00	\$30,000
7	100	\$15.00	\$30,000
8	100	\$15.00	\$30,000
9	100	\$15.00	\$30,000
10	100	\$15.00	\$30,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$300,000

County Type:
Other

Statutory Minimum Wage Requirements:
Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Ownership (20% or more):

David Wright - Cedar Hills, UT
Melanie Alder - Highland, UT

Active State Participation at the project site:

None

Requested Wage Assessment / Local Participation:

State: 1.5%

Local: 0.4% - Boone County

Unemployment Rate:

County: 4.3%

Kentucky: 5.5%

Existing Presence in Kentucky: None

Special Conditions: None



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**KBI REPORT - PRELIMINARY APPROVAL**

Date: April 27, 2017
Approved Company: Alabama Wire Products, Inc.
Approved Affiliate(s): SSW Holding Co., Inc.
City: Elizabethtown **County:** Hardin
Activity: Manufacturing **Prelim Resolution #:** KBI-I-17-21583
Bus. Dev. Contact: A. Bobbitt **OFS Staff:** L. Cunningham

Project Description: Alabama Wire Products, Inc (AWPI) is a wholly owned subsidiary of SSW Holding Company, Inc., a leading supplier of wire products to global appliance and HVAC OEM's, and the regional construction materials supply industry. Since 2005, AWPI has been operating as a wire drawer in Kentucky and supplying coil wire products to other SSW subsidiaries in several locations. The company is considering expanding and diversifying its construction materials product line to include mine wire mesh to be sold to a new customer base in the mining industry.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land

Building/Improvements

Equipment

Other Start-up Costs

TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$0	\$0
\$200,000	\$1,000,000
\$0	\$0
\$200,000	\$1,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$17.50	
1	10	\$17.50	\$20,000
2	15	\$17.50	\$20,000
3	15	\$17.50	\$20,000
4	20	\$17.50	\$20,000
5	20	\$17.50	\$20,000
6	20	\$17.50	\$20,000
7	20	\$17.50	\$20,000
8	20	\$17.50	\$20,000
9	20	\$17.50	\$20,000
10	20	\$17.50	\$20,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**\$200,000**

County Type:
Other

Statutory Minimum Wage Requirements:
Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Ownership (20% or more):
SSW Holding Co., Inc. - Ft. Smith, AR

Active State Participation at the project site:
None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 1.0% - City of Elizabethtown

Unemployment Rate:
County: 5.1% Kentucky: 5.5%

Existing Presence in Kentucky:
Hardin County

Special Conditions:

The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The company reported 66 full-time, Kentucky resident employees as of the application date.



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: April 27, 2017
Approved Company: MSSC US Inc.
City: Hopkinsville
Activity: Manufacturing
Bus. Dev. Contact: C. Peek

County: Christian
Prelim Resolution #: KBI-I-17-21590
OFS Staff: M. Elder

Project Description: MSSC US Inc. is a tier 1 automotive supplier which began its operations in 1991 as a joint venture with Mitsubishi Steel and Rockwell. In 2009 Mitsubishi obtained full ownership of MSSC. MSSC supplies coil springs, stabilizer bars and stabilizer bar assemblies to a diverse customer base including: Ford, General Motors, FCA, Toyota, Nissan, Honda, Subaru and Telsa. The company is considering adding 6 new processes to its stabilizer bar business to allow MSSC to be more competitive.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$0	\$0
\$11,045,600	\$11,045,600
\$722,400	\$722,400
\$11,768,000	\$11,768,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$25.00	
1	24	\$25.00	\$40,000
2	24	\$25.00	\$40,000
3	34	\$25.00	\$40,000
4	42	\$25.00	\$40,000
5	42	\$25.00	\$40,000
6	42	\$25.00	\$40,000
7	42	\$25.00	\$40,000
8	42	\$25.00	\$40,000
9	42	\$25.00	\$40,000
10	42	\$25.00	\$40,000
11	42	\$25.00	\$40,000
12	42	\$25.00	\$40,000
13	42	\$25.00	\$40,000
14	42	\$25.00	\$40,000
15	42	\$25.00	\$40,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$600,000

County Type:
Enhanced

Statutory Minimum Wage Requirements:
Base hourly wage: \$9.06
Total hourly compensation: \$10.42

Ownership (20% or more):

Mitsubishi Steel Manufacturers Tokyo, Japan

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 5.0%

Unemployment Rate:

County: 6.4%

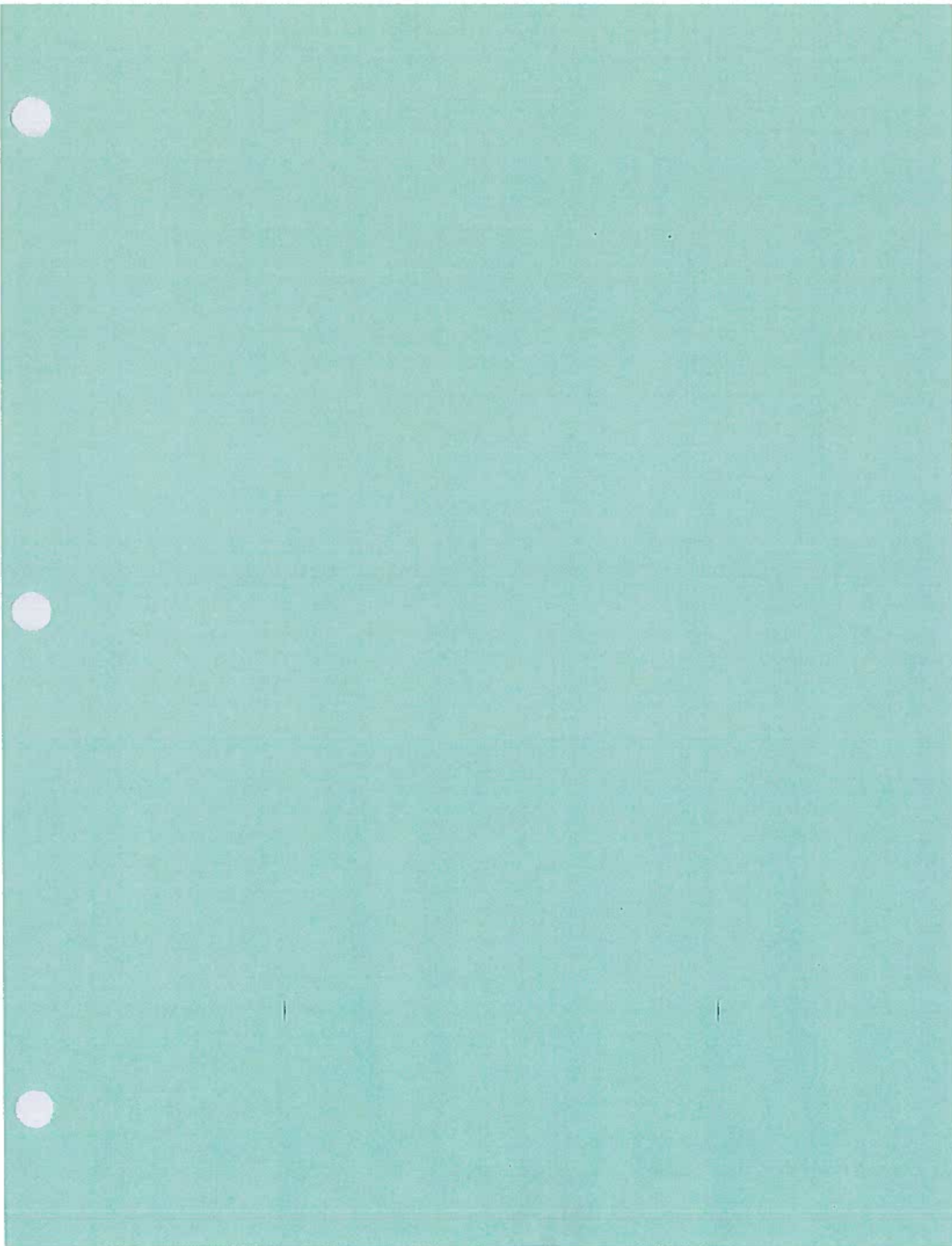
Kentucky: 5.5%

Existing Presence in Kentucky:

Christian County

Special Conditions:

The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The company reported 140 full-time, Kentucky resident employees as of the application date.



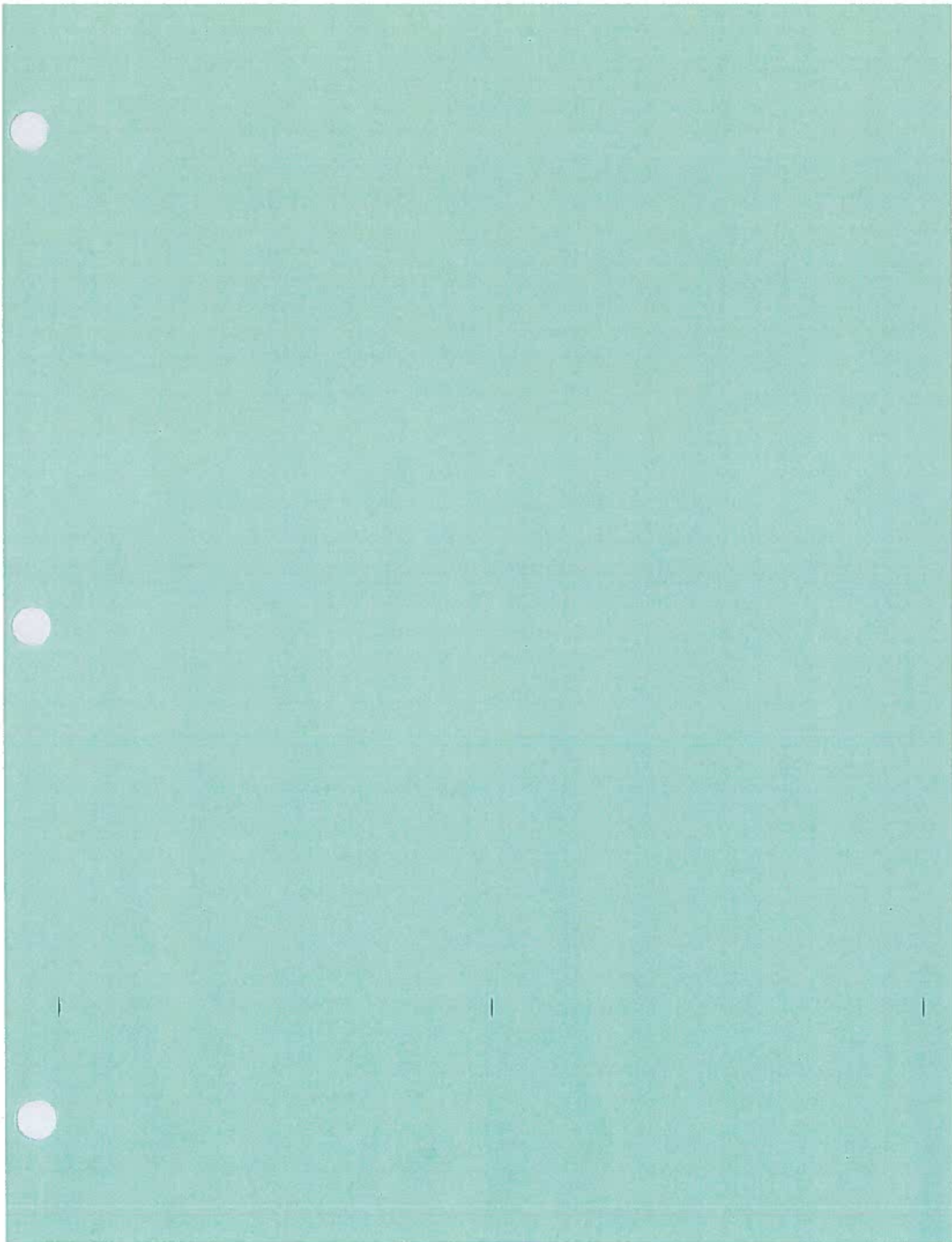
MEMORANDUM

TO: KEDFA Board Members
FROM: Michelle Elder 
Incentive Assistance Division
DATE: April 27, 2017
SUBJECT: KBI Extensions

The following companies have previously received KBI preliminary approval and are requesting approval of a time extension:

Company	County	Extension
ADP Benefit Services KY, Inc.	Jefferson	12 month
Avure Technologies, Inc.	Boone	12 month
Industry Products Company	Scott	12 month
New Mather Metals, Inc.	Simpson	12 month
Peristyle, LLC	Woodford	12 month
Rut 'N Strut Distillery LLC	Shelby	12 month
Safai Enterprises, Inc.	Jefferson	12 month
Universal Woods, Inc.	Jefferson	12 month

Staff recommends approval.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: April 27, 2017
Preliminary Approval: November 30, 2012
Approved Company: iwis Engine Systems, LP
City: Murray
Activity: Manufacturing
Bus. Dev. Contact: C. Peek

County: Calloway
Final Resolution #: KBI-F-17-19335
OFS Staff: D. Phillips

Project Description: iwis Engine Systems, LP is an innovative leading supplier to the automotive industry around the world, with such products as high-quality chain drive systems for camshafts, injection pumps, differential shafts, oil pumps and auxiliary units. The project consisted of locating a manufacture facility in Murray to produce timing drive systems for automotive engines.

Anticipated Project Investment - Owned

Eligible Costs	Total Investment
\$5,260,580	\$12,560,580

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	60	\$19.00	
1	70	\$19.00	\$250,000
2	75	\$19.00	\$250,000
3	75	\$19.00	\$250,000
4	75	\$19.00	\$250,000
5	75	\$19.00	\$250,000
6	75	\$19.00	\$250,000
7	75	\$19.00	\$250,000
8	75	\$19.00	\$250,000
9	75	\$19.00	\$250,000
10	75	\$19.00	\$250,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$2,500,000

County Type:
Other

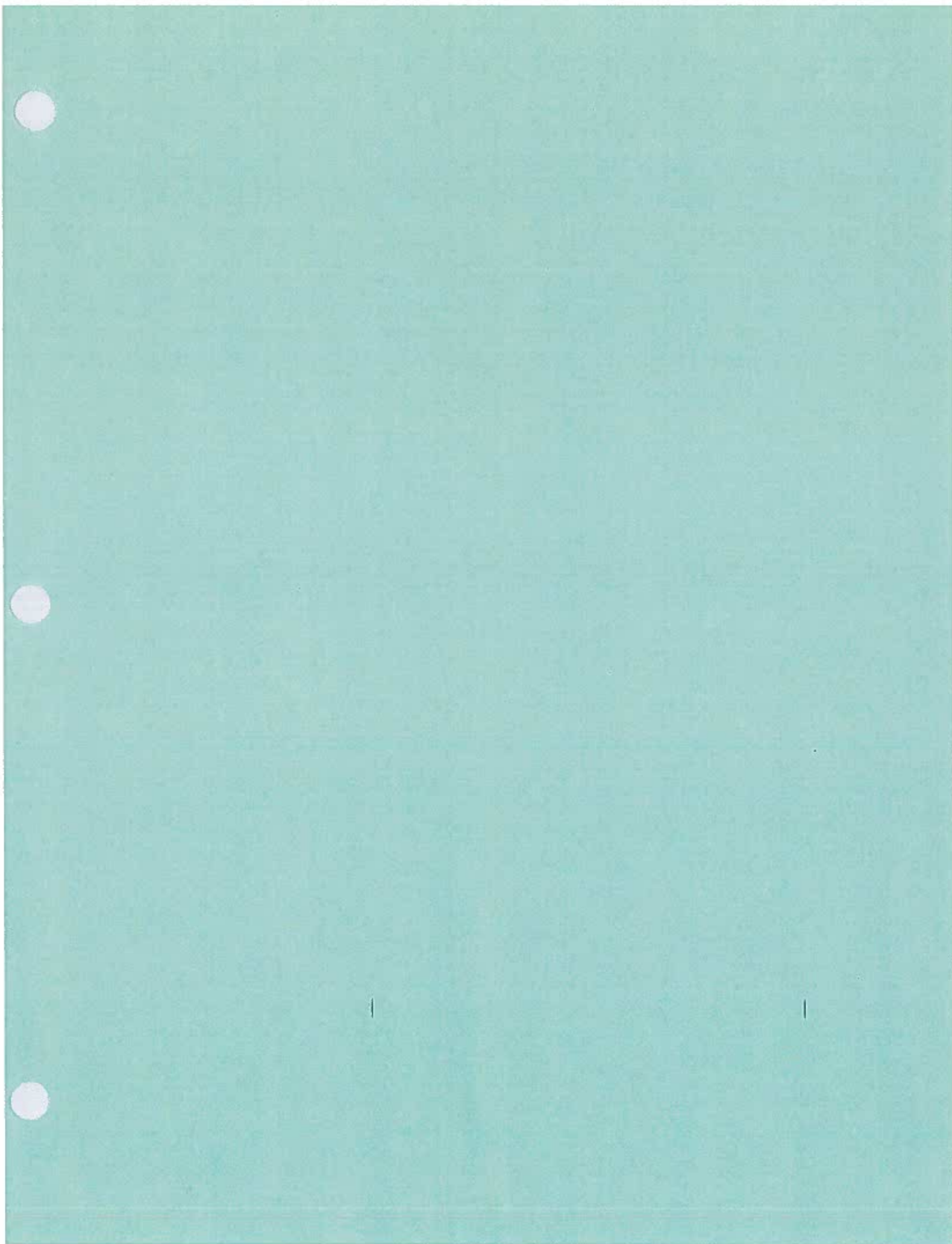
Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Special Conditions: None

Modifications since preliminary approval? No



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: April 27, 2017
Preliminary Approval: March 28, 2013
Approved Company: J & T Munitions, Inc. dba J & T Distributing
City: Winchester **County:** Clark
Activity: Manufacturing **Final Resolution #:** KBI-F-17-19450
Bus. Dev. Contact: M. Duffy **OFS Staff:** D. Phillips

Project Description: J & T Munitions, Inc. dba J & T Distributing began by selling ammunition reloads and transitioned over the years into a mail order parts distributor and grew into a manufacturing business. The project included a third manufacturing facility to produce high quality firearm parts and accessories for commercial markets, the law enforcement market and firearm manufacturers across the United States.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$2,315,800	\$3,615,800

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$15.00	
1	12	\$15.00	\$20,000
2	14	\$15.00	\$20,000
3	15	\$15.00	\$20,000
4	15	\$15.00	\$20,000
5	15	\$15.00	\$20,000
6	15	\$15.00	\$20,000
7	15	\$15.00	\$20,000
8	15	\$15.00	\$20,000
9	15	\$15.00	\$20,000
10	15	\$15.00	\$20,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$200,000

County Type:
Other

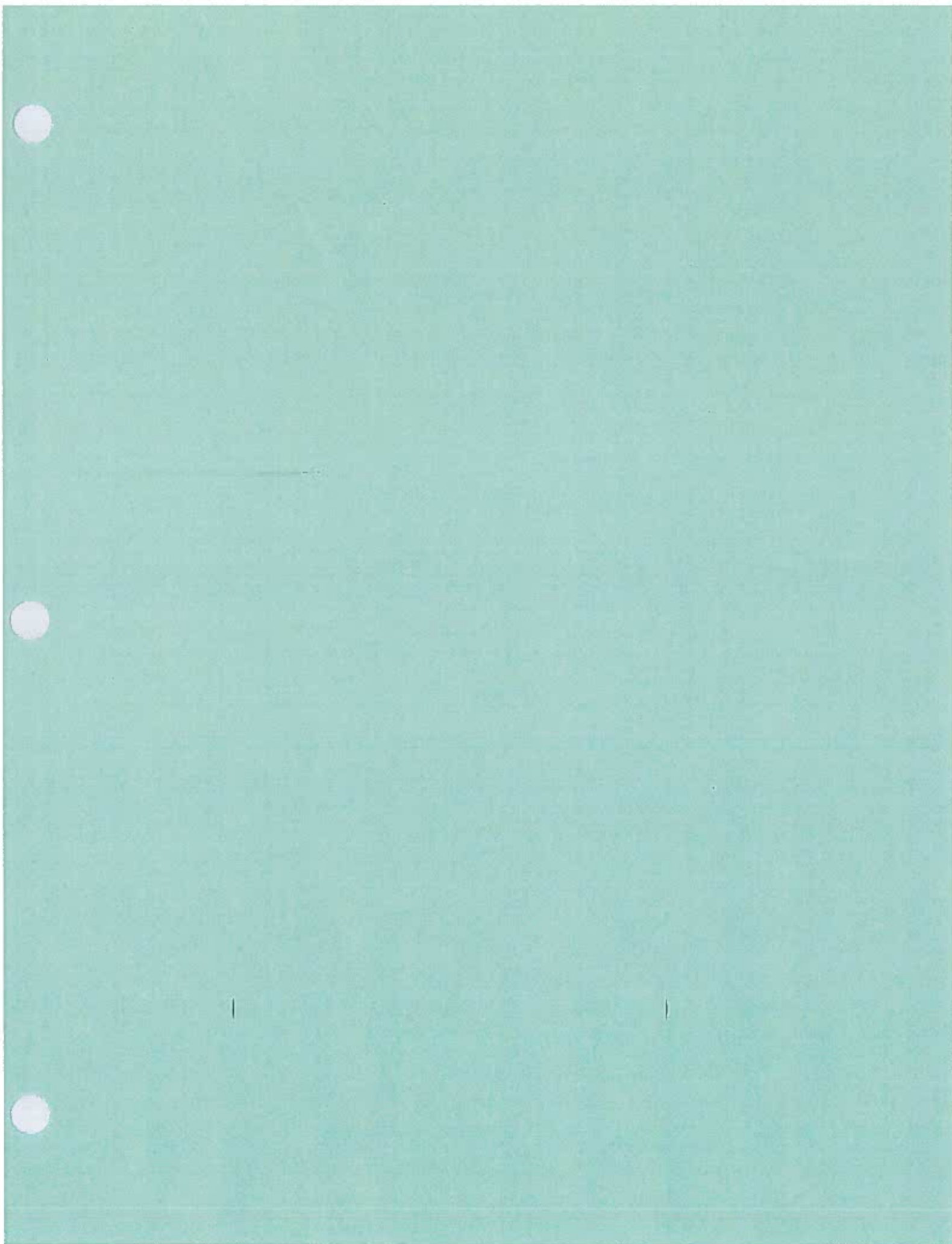
Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Special Conditions:

Maintain Base Employment: 46

Modifications since preliminary approval? No



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: April 27, 2017
Preliminary Approval: June 26, 2014
Approved Company: Lebanon Power & Apparatus Co., Inc.
City: Lebanon **County:** Marion
Activity: Manufacturing **Final Resolution #:** KBI-F-17-19961
Bus. Dev. Contact: M. Duffy **OFS Staff:** D. Phillips

Project Description: Lebanon Power & Apparatus Co., Inc. specializes in industrial repair for electric motors and pumps and offers support to manufacturers, utility companies and municipals throughout Kentucky and surrounding states. The expansion project included the consolidation of its Lebanon operations by purchasing a new facility and equipment to improve productivity and increase customer demand.

Anticipated Project Investment - Owned

Eligible Costs	Total Investment
\$1,351,000	\$1,351,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$17.00	
1	15	\$17.00	\$46,666
2	18	\$17.00	\$46,666
3	22	\$17.00	\$46,666
4	28	\$17.00	\$46,666
5	32	\$17.00	\$46,666
6	32	\$17.00	\$46,666
7	32	\$17.00	\$46,666
8	32	\$17.00	\$46,666
9	32	\$17.00	\$46,666
10	32	\$17.00	\$46,666
11	32	\$17.00	\$46,666
12	32	\$17.00	\$46,666
13	32	\$17.00	\$46,666
14	32	\$17.00	\$46,666
15	32	\$17.00	\$46,676

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$700,000

County Type:
Enhanced

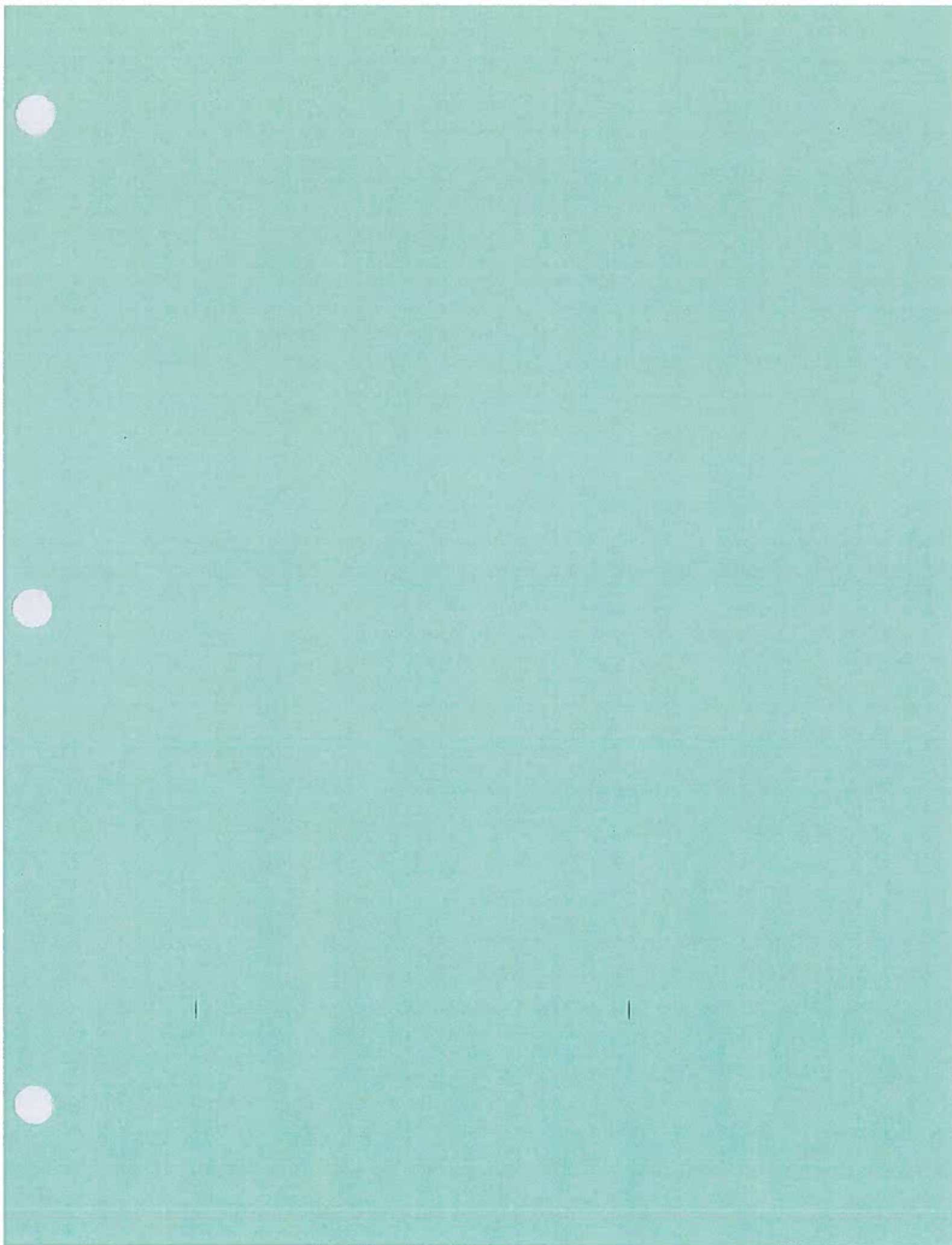
Statutory Minimum Wage Requirements:

Base hourly wage: \$9.06
Total hourly compensation: \$10.42

Special Conditions:

Maintain Base Employment: 20
Maintain Statewide Employment: 9

Modifications since preliminary approval? No



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - FINAL APPROVAL

Date: April 27, 2017
Preliminary Approval: June 30, 2016
Approved Company: New Riff Distilling, LLC
City: Newport
Activity: Manufacturing
Bus. Dev. Contact: M. Duffy

County: Campbell
Final Resolution #: KBI-F-17-21098
OFS Staff: D. Phillips

Project Description: New Riff Distilling, LLC is the largest craft distillery in Kentucky currently operating at full production of over 7,400 barrels a year. The project included the construction of a whiskey campus which included additional storage/warehousing space, the renovation of two existing warehouses, bottling, distribution and office space. The company also purchased property adjacent to its facility to construct a "state of the art" brewery/taproom/restaurant, event space and parking.

Anticipated Project Investment - Owned

Eligible Costs	Total Investment
\$9,705,000	\$12,475,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	24	\$22.00	
1	29	\$22.00	\$50,000
2	33	\$22.00	\$50,000
3	35	\$22.00	\$50,000
4	37	\$22.00	\$50,000
5	39	\$22.00	\$50,000
6	39	\$22.00	\$50,000
7	39	\$22.00	\$50,000
8	39	\$22.00	\$50,000
9	39	\$22.00	\$50,000
10	39	\$22.00	\$50,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$500,000

County Type:
Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Special Conditions:

Maintain Base Employment: 15

Modifications since preliminary approval? No



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: April 27, 2017
Preliminary Approval: December 10, 2015
Approved Company: THG International LLC
City: Louisville
Activity: Manufacturing
Bus. Dev. Contact: M. Pierstorff

County: Bullitt
Final Resolution #: KBI-FLD-17-20738
OFS Staff: D. Phillips

Project Description: THG International LLC specializes in sports nutrition supplements and a vast range of high protein foods, snacks, drinks and an expansive clothing range used by sports enthusiasts, endurance athletes and bodybuilders. The project included opening a new production and distribution facility in Louisville to produce sports protein drinks and supplements.

Anticipated Project Investment - Leased

Eligible Costs	Total Investment
\$10,507,089	\$17,213,589

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	55	\$15.00	
1	55	\$15.00	\$173,333
2	131	\$15.00	\$173,333
3	259	\$15.00	\$173,333
4	350	\$15.00	\$173,333
5	350	\$15.00	\$173,333
6	350	\$15.00	\$173,333
7	350	\$15.00	\$173,333
8	350	\$15.00	\$173,333
9	350	\$15.00	\$173,333
10	350	\$15.00	\$173,333
11	350	\$15.00	\$173,333
12	350	\$15.00	\$173,333
13	350	\$15.00	\$173,333
14	350	\$15.00	\$173,333
15	350	\$15.00	\$173,338

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$2,600,000

County Type:
Enhanced

Statutory Minimum Wage Requirements:

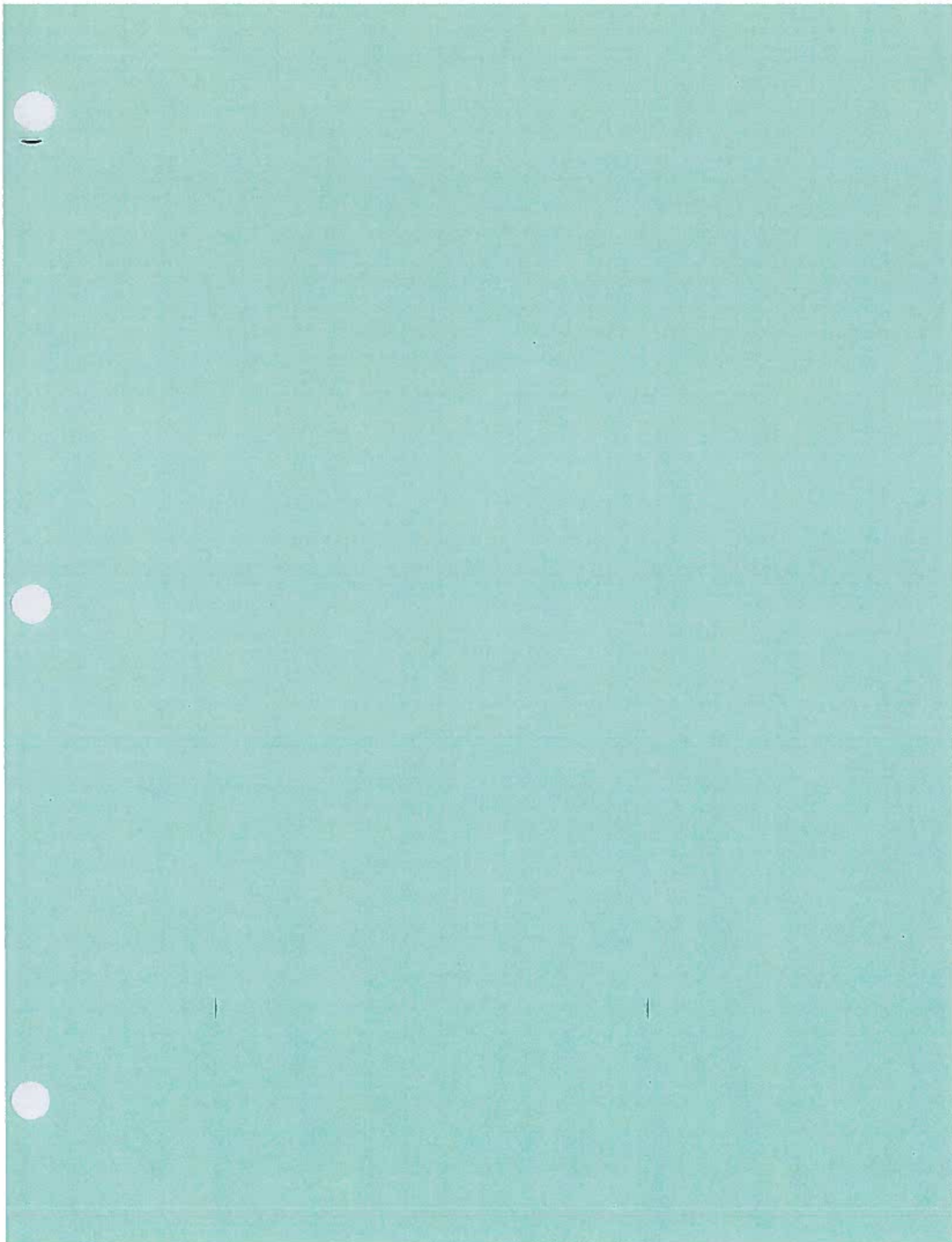
Base hourly wage: \$9.06

Total hourly compensation: \$10.42

Special Conditions: None

Modifications since preliminary approval? Yes

The company is requesting a change in the approved company name from Cend LLC to THG International LLC. All other aspects of the project remain the same.



MEMORANDUM

TO: KEDFA Board Members

FROM: Debbie Phillips *DP*
Incentive Assistance Division

DATE: April 27, 2017

SUBJECT: Life Safety Services, LLC (Jefferson)
Modification – KBI-FL-17-18417

Life Safety Services, LLC received KBI final approval on March 30, 2017 for an expansion of its existing headquarters facility in Louisville, Jefferson County. The company provides fire and smoke damper inspection primarily to the healthcare industry, and the company expanded its business to include other industries such as educational, industrial, commercial, government and hotels.

After KEDFA's approval in March, staff identified the eligible costs of \$922,698 was less than the approved incentive amount of \$1,000,000. Therefore, the incentive agreement has been updated to reflect the appropriate incentive amount of \$922,698 and the annual approved cost limitations have been adjusted. Please refer to the attached revised final approval board summary.

Staff is requesting KEDFA to ratify this modification.

Staff recommends approval.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: March 30, 2017
Preliminary Approval: March 31, 2011
Approved Company: Life Safety Services, LLC
Approved Affiliate(s): Hughes Environmental, Inc.
 LSS Holdings, LLC

City: Louisville
Activity: Headquarters
Bus. Dev. Contact: J. Bevington

County: Jefferson
Final Resolution #: KBI-FL-17-18417
OFS Staff: D. Phillips

Project Description: Life Safety Services, LLC provides fire and smoke damper inspection primarily to the healthcare industry although its business has expanded recently to include other industries such as educational, industrial, commercial, government and hotels. The project included the expansion of its existing headquarters operation in Louisville.

Anticipated Project Investment - Leased

Eligible Costs	Total Investment
\$922,698	\$3,097,955

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	80	\$19.00	
1	80	\$19.00	\$92,269
2	80	\$19.00	\$92,269
3	80	\$19.00	\$92,269
4	80	\$19.00	\$92,269
5	80	\$19.00	\$92,269
6	80	\$19.00	\$92,269
7	80	\$19.00	\$92,269
8	80	\$19.00	\$92,269
9	80	\$19.00	\$92,269
10	80	\$19.00	\$92,277

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$922,698

County Type:
Other

Statutory Minimum Wage Requirements:

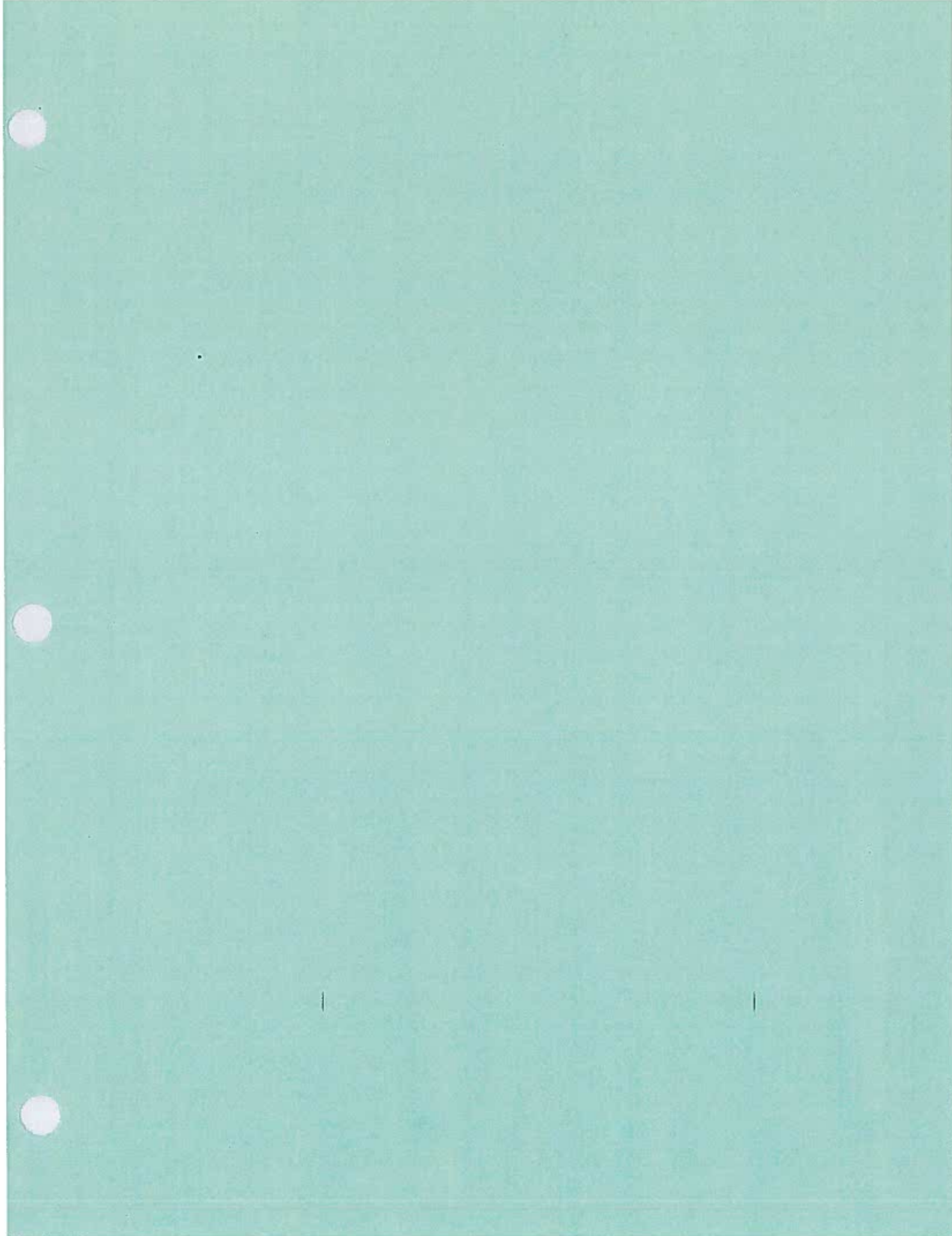
Base hourly wage: \$10.88
 Total hourly compensation: \$12.51

Special Conditions:

Maintain Base Employment: 35

Modifications since preliminary approval? Yes - incorporated in above information

The company is requesting to add affiliates, Hughes Environmental and LSS Holdings LLC to the project. The project has changed from owned to lease with no rent being included in the eligible costs of the project. The total investment increased from \$1,325,000 to \$3,097,955; the eligible cost decreased from \$1,325,000 to \$922,698; Jobs increased from 20 to 80; The incentive amount increased from \$400,000 to \$922,698. All other aspects of the project remain the same.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KRA REPORT - FINAL APPROVAL**

Date: April 27, 2017
Preliminary Approval: June 12, 2014
Approved Company: Aleris Rolled Products, Inc. dba Aleris Rolled Products Manufacturing, Inc.
City: Lewisport **County:** Hancock
Final Resolution #: KRA-F-17-19922
Bus. Dev. Contact: J. Bevington **OFS Staff:** D. Phillips

Project Description: Aleris Rolled Products, Inc. dba Aleris Rolled Products Manufacturing, Inc. utilizes direct-chill casting technology to produce aluminum rolled sheets for a variety of industries and applicants, including bare and coated coiled sheet. The project included the purchase of equipment and upgrades to the facility for a new line to produce heat treated products.

Current number of full-time jobs at the project location:

945

Required number of full-time jobs to retain at the project location:

744

Preliminarily Approved Anticipated Costs

Equipment and Related Costs

Training Costs

TOTAL

Eligible Costs

\$175,000,000

\$0

\$175,000,000

Total Investment

\$350,000,000

\$0

\$350,000,000

Actual Costs Expended

Equipment and Related Costs

Training Costs

TOTAL

Eligible Costs

\$192,228,191

\$0

\$192,228,191

Total Investment

\$384,456,381

\$0

\$384,456,381

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$11,000,000

Modifications since preliminary approval? No



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Kentucky Small Business Tax Credit Projects

April 2017

Project Name	Form #	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment or Technology	Tax Credit Amount	Date to KEDFA	Status
Above All Service, LLC	21566	MARSHALL	20	4	\$20.73	\$14,063	\$14,000	4/27/2017	PENDING
Beer Engine LLC	21567	JEFFERSON	0	7	\$14.37	\$42,000	\$24,500	4/27/2017	PENDING
Boxcar Strategies, LLC	21568	FAYETTE	9	1	\$83.33	\$6,796	\$3,500	4/27/2017	PENDING
Carroll-Kron Consulting, Inc.	21569	JEFFERSON	16	7	\$23.15	\$21,109	\$21,100	4/27/2017	PENDING
Consultant Solutions, Incorporated	21570	FAYETTE	13	8	\$37.55	\$47,082	\$25,000	4/27/2017	PENDING
Copperhead Environmental Consulting, Inc.	21571	GARRARD	13	5	\$14.48	\$64,276	\$17,500	4/27/2017	PENDING
Dental Center of Florence, Kentucky, P.S.C.	21572	BOONE	35	3	\$14.33	\$13,637	\$10,500	4/27/2017	PENDING
Kerr Office Group, Inc.	21573	HARDIN	39	6	\$19.89	\$25,825	\$21,000	4/27/2017	PENDING
Machine and Components Industries, Inc.	21574	JEFFERSON	4	4	\$22.10	\$84,900	\$14,000	4/27/2017	PENDING
Videobred, Inc.	21575	JEFFERSON	10	1	\$15.50	\$7,893	\$3,500	4/27/2017	PENDING
Vuecom Media Group Co.	21576	MCCRACKEN	5	1	\$12.33	\$5,768	\$3,500	4/27/2017	PENDING

Note: The tax credit amount will be equal to \$3,500 per eligible position, not to exceed the purchase price of qualifying equipment or technology, with a maximum income tax credit of \$25,000 per company for each calendar year. Per KRS 154.60-020, the maximum amount of credits that may be committed in each state fiscal year shall be capped at \$3,000,000. Current fiscal year allocations total \$1,723,700.

Project Name	Form #	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment or Technology	Tax Credit Amount	Date to KEDFA	Status
TOTALS	11						\$158,100		

Note: The tax credit amount will be equal to \$3,500 per eligible position, not to exceed the purchase price of qualifying equipment or technology, with a maximum income tax credit of \$25,000 per company for each calendar year. Per KRS 154.60-020, the maximum amount of credits that may be committed in each state fiscal year shall be capped at \$3,000,000. Current fiscal year allocations total \$1,723,700.



Kentucky Angel Investment Tax Credit Projects

April 2017

Qualified Investor	Qualified Small Business	County	Qualified Activity	Projected Investment	Tax Credit Amount
Zapp, Robert W.	Bexion Pharmaceuticals, Inc.	Kenton	Health & Human Development	\$250,000	\$100,000
Singal, Inder	Comfy Cow, LLC	Jefferson	Materials Science & Advanced Manufacturing	\$100,000	\$40,000
Glasscock, Charles Edward	CompleteSet, Inc.	Kenton	Other New Economy Knowledge Based Activity	\$25,000	\$10,000
Cundiff, Clarence K.	Hippo Manager Software, Inc.	Fayette	Information Technology & Communications	\$10,000	\$4,000
Winbigler, David Brian	Patriot Brands LLC	Jefferson	Materials Science & Advanced Manufacturing	\$25,000	\$10,000
Burkett, John N.	Rabbit Hole Spirits, LLC	Jefferson	Other New Economy Knowledge Based Activity	\$22,800	\$9,120
Total	6			\$432,800	\$173,120
<hr/>					
Projected Credits - To Date					(\$3,239,033)
Reclaimed Credits					\$444,001
Current Projected/Approved Credits					(\$2,795,032)
<hr/>					
Credit Limit					\$3,000,000
Current Projected/Approved Credits					(\$2,795,032)
Remaining Credits					\$204,968

Note: For each calendar year, the total amount of tax credits available for the Kentucky Angel Investment Act program shall not exceed \$3,000,000. The total amount of tax credits approved to a Qualified Investor in a calendar year shall not exceed \$200,000 in aggregate.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KENTUCKY SMALL BUSINESS CREDIT INITIATIVE (KSBCI)**

Date: April 27, 2017
Bank: First Harrison Bank
Borrower: Faith Holdings LLC
Guarantors: Neurodiagnostics, Inc. and Dr. Jason Harris
Location: 1725 Harrodsburg Road, Lexington, KY 40504
Program Type: Kentucky Collateral Support Program (KYCSP)
Total Loan: \$ 2,280,000.00 **Collateral Assistance:** \$ 456,000.00
Loan Term: 120 months **OFS Staff:** Kylee Palmer

Project Description: First Harrison Bank has requested approval for the use of the KSBCI Collateral Support Program to enroll a \$2,280,000 loan to purchase commercial real estate in Lexington, KY. First Harrison Bank will do a business acquisition loan of \$800,000 and Dr. Harris has the funds to complete the purchase of the business. He is also purchasing the building and office condominiums in the adjoining building (The Physicians Mall) and is requesting collateral support assistance with the real estate purchase.

Dr. Jason Harris has worked at Neurodiagnostics, Inc. dba Lexington Diagnostics Center for several years and has the opportunity to purchase the business and building as the current owner is retiring. The Lexington Diagnostics Center provides MRI, CT, Ultrasound, DEXA, Prostate Tests, Nuclear Medicine Epidural & Facet Block, X-Ray and Screenings.

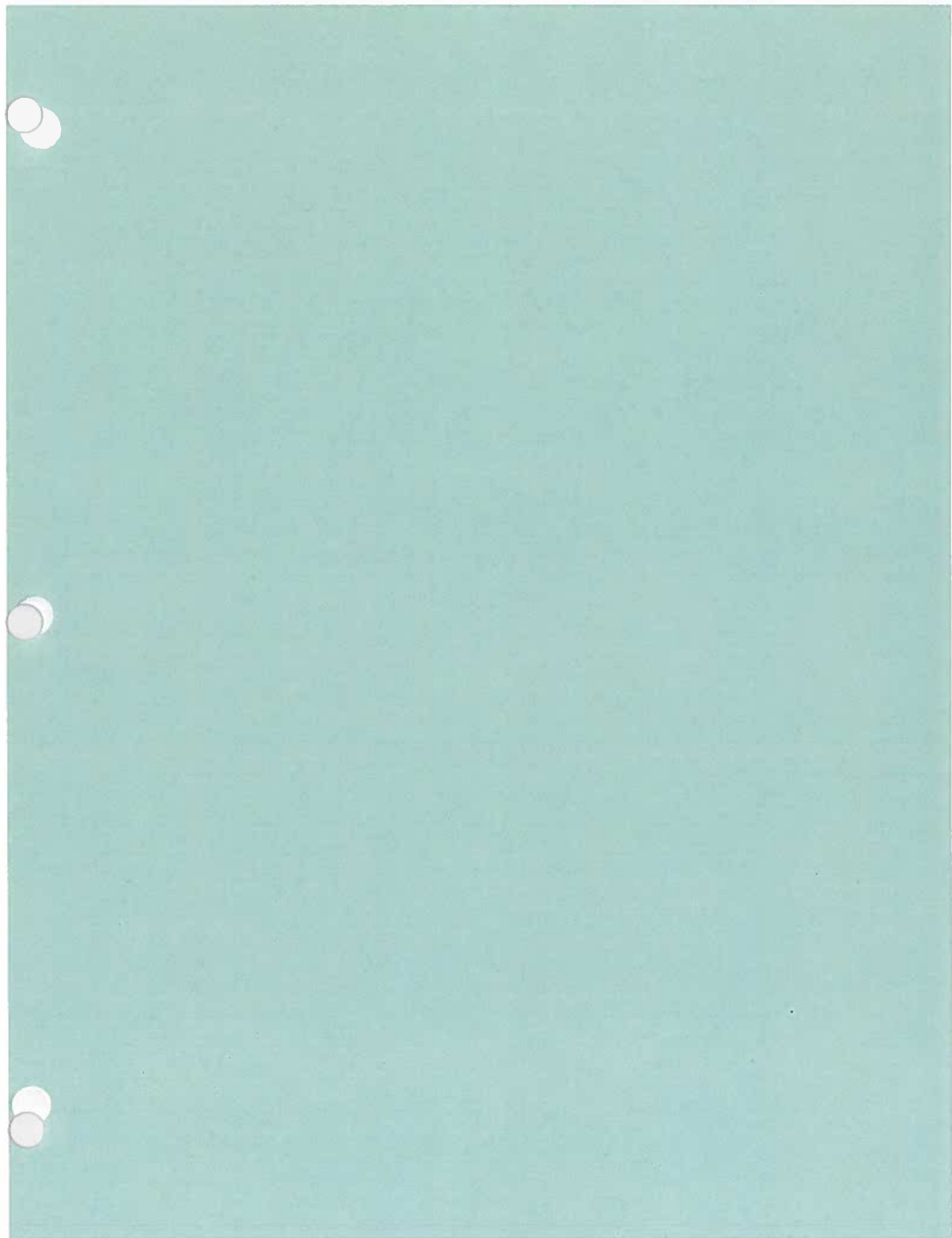
Dr. Harris attended medical school at the University of Louisville and completed his residency at the University of Cincinnati in diagnostic radiology. He went on to complete a fellowship in musculoskeletal radiology at the Medical College of Virginia. Dr. Harris is certified by the American Board of Radiology. He has over 10 years of diagnostic radiology experience, and six years of practice experience working at outpatient imaging centers.

Impact: Currently there are 40 employees at the center.

First Harrison Bank has requested collateral assistance on its \$2,280,000 loan to the company. The Borrower is putting up \$40,000 in equity. The bank has requested KEDFA approval for \$456,000 from the Kentucky Collateral Support Program, which is 20% support.

The bank will be secured with a first mortgage on the property.

Approval: Staff recommends approval of the bank request for up to \$456,000 in support from the KSBCI Kentucky Collateral Support Program.






CABINET FOR ECONOMIC DEVELOPMENT


Matthew G. Bevin
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601
ThinkKentucky.com

Terry R. Gill, Jr.
Secretary

TO: Kentucky Economic Development Finance Authority

FROM: Terry Gill, Secretary
Cabinet for Economic Development 

Mandy Lambert, Acting Executive Director
Office of Entrepreneurship 

DATE: April 27, 2017

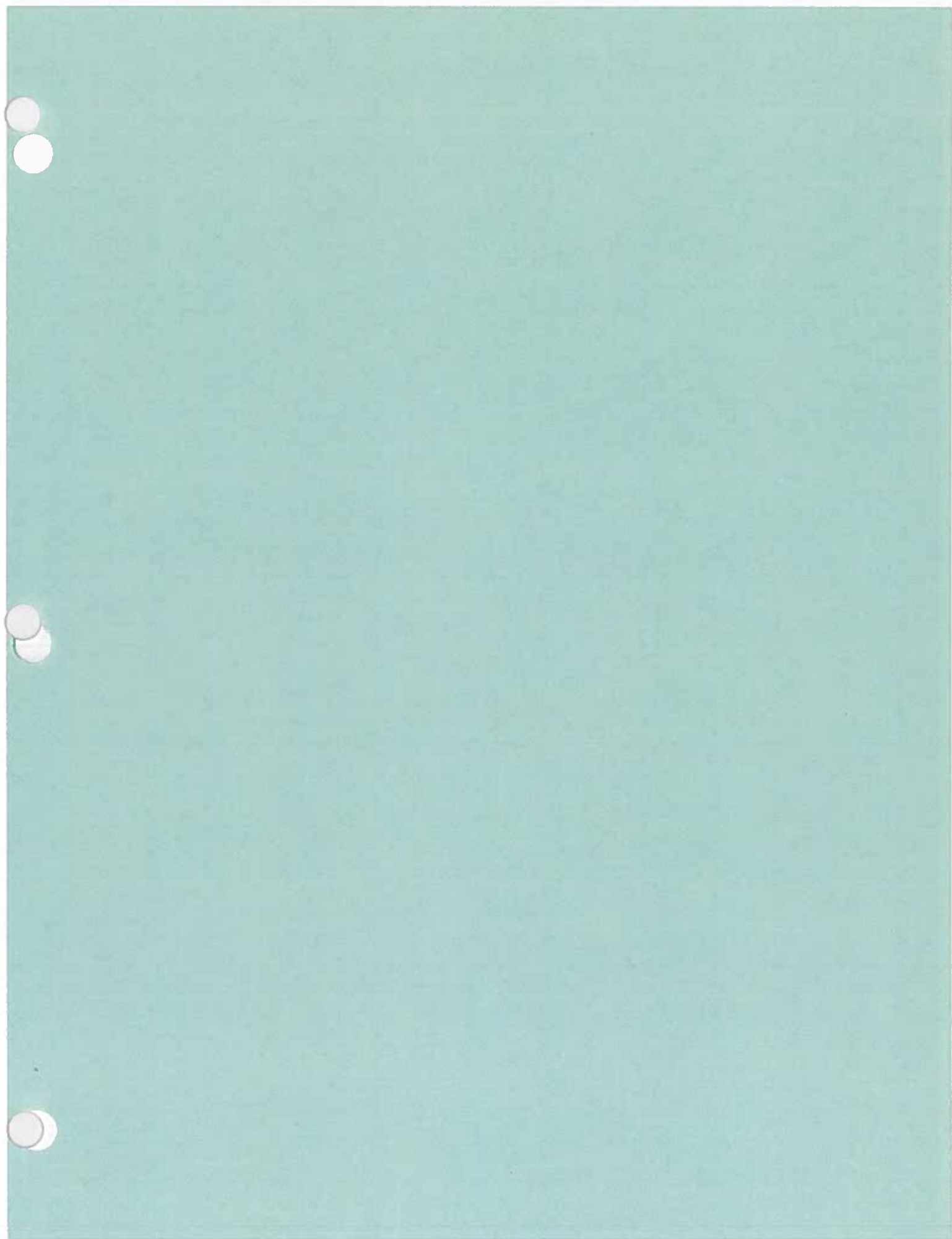
SUBJECT: Transfer of Funds to the Kentucky Economic Development Partnership for a Capital Contribution to Commonwealth Seed Capital, LLC

Pursuant to KRS 154.12-278(4), the Executive Director of the Office of Entrepreneurship has the responsibility "to recommend funds to be used to support loans and grants, or to secure an equity or related position" in projects with a special emphasis on the creation of high-technology jobs. As Secretary of the Cabinet and Acting Executive Director of the Office of Entrepreneurship, we are recommending approval by the Kentucky Economic Development Finance Authority to transfer \$15,000,000 from the High-Tech Investment Pool to the Kentucky Economic Development Partnership to facilitate a private sector investment of not less than \$1,000,000,000 in one or more locations in the Commonwealth. As sole member of Commonwealth Seed Capital, LLC, the Partnership Board has authority to make a capital contribution to Commonwealth Seed Capital, LLC, to support high-tech companies locating or expanding within the state.

If approved by KEDFA, the attached resolution authorizes the transfer of \$15,000,000 from the High-Tech Investment Pool to the Partnership Board for the purposes described above.

Thank you for your consideration in this matter.

Attachment





KSBCI Quarterly Funding Report

March 31, 2017

Participating Bank		KSBCI Program	Total Project Amount	KSBCI Support Amount
Closed				
J and L Lyle, Inc. Project #1	Kentucky Bank	KYCSIP	\$ 35,000.00	\$ 6,300.00
ILB Molding	Huntington Bank	KYCAP	\$ 40,000.00	\$ 1,200.00
Women's First PLLC	First National Bank of Grayson	KYCSIP	\$ 335,000.00	\$ 67,000.00
M&M Partners Proj #1	Community Trust Bank	KYCSIP	\$ 95,612.00	\$ 18,800.00
IHC Matthews	Citizens First Bank	KYCSIP	\$ 444,900.00	\$ 69,101.00
Ruby Concrete, Inc.	Farmers Bank of Marion	KYLPP	\$ 5,675,000.00	\$ 80,000.00
Clark County Veterinary Clinic, Inc.	Kentucky Bank	KYCSIP	\$ 680,823.58	\$ 24,800.00
Godi Corporation / Louisville	Fifth Third Bank	KYCSIP	\$ 908,000.00	\$ 60,000.00
CKW Physical Therapy, Inc.	Commercial Bank of West Liberty	KYCSIP	\$ 272,900.92	\$ 54,580.00
AU Associates, Inc.	Community Ventures Corporation	KYCSIP	\$ 471,919.11	\$ 45,855.00
Skidaddles, Inc.	Huntington National	KYCAP	\$ 65,306.12	\$ 1,902.12
Beaver Creek Vet.	MACED	KYLPP	\$ 410,000.00	\$ 68,000.00
J & H McGlone, LLC - Proj #1	First National Bank of Grayson	KYCSIP	\$ 366,000.00	\$ 26,700.00
J & H McGlone, LLC - Proj #2	First National Bank of Grayson	KYCSIP	\$ 50,000.00	\$ 10,000.00
Fit Bodies, Inc./Kenton County	Fifth Third Bank	KYCSIP	\$ 211,000.00	\$ 26,954.00
Burgess Steel Services, Inc.	Citizens Deposit Bank	KYCSIP	\$ 75,173.47	\$ 14,000.00
Maynard Studios	Community Trust Bank	KYCSIP	\$ 165,750.00	\$ 24,862.50
Casey's Foods, Inc. dba Happy IGA	MACED	KYCSIP	\$ 176,610.00	\$ 34,800.00
LaFontaine Preparatory School, LLC	MACED	KYCSIP	\$ 355,000.00	\$ 69,000.00
JAKLAK LLC	MainSource Bank	KYLPP	\$ 550,147.16	\$ 106,029.40
ROR, LLC/Stepping Stones For Children, Inc.	Kentucky Bank	KYCSIP	\$ 1,300,000.00	\$ 250,000.00
Big Red Burritos, LLC	Fifth Third Bank	KYCSIP	\$ 25,000.00	\$ 5,000.00
Stardust Holdings, LLC & Stardust Ventures, LLC	KY Highlands	KYCSIP	\$ 1,800,000.00	\$ 250,000.00
Rotolamento Forno LLC	Kentucky Bank	KYCSIP	\$ 95,000.00	\$ 10,500.00
Purley Enterprises, Inc./Purley Associates, LLC/Mills Express, Inc. Proj #1	Kentucky Bank	KYCSIP	\$ 147,500.00	\$ 29,500.00
Purley Enterprises, Inc./Purley Associates, LLC/Mills Express, Inc. Proj #2	Kentucky Bank	KYCSIP	\$ 317,355.00	\$ 57,471.00
DC Logistics, Inc.	United Citizens Bank & Trust	KYCSIP	\$ 350,000.00	\$ 18,750.00
Knight Transportation	South Central Bank	KYCSIP	\$ 225,000.00	\$ 45,000.00
Miller Insulation, LLC	South Central Bank of Hardin County, Inc.	KYLPP	\$ 85,000.00	\$ 17,000.00
Durbin Super Bowl, LLC	Fifth Third Bank	KYCSIP	\$ 2,125,000.00	\$ 285,000.00
Arnett Dental Practice, PLLC/Shelia's Property, LLC	First National Bank of Grayson	KYCSIP	\$ 580,000.00	\$ 104,400.00
Pro-signs LLC	MACED	KYCSIP	\$ 150,000.00	\$ 30,000.00
D & M Contracting, Inc.	MACED	KYCSIP	\$ 100,000.00	\$ 16,000.00
Print My Threads, LLC	MACED	KYCSIP	\$ 230,000.00	\$ 40,000.00
Marshall T. West dba West & Jones Funeral Home	MACED	KYCSIP	\$ 225,000.00	\$ 40,000.00
Against The Grain, LLC	Wilson & Muir Bank & Trust Co.	KYCSIP	\$ 1,100,000.00	\$ 200,000.00
JBS Industrial Solutions, Inc.	MACED	KYCSIP	\$ 550,000.00	\$ 50,000.00



Mountain Music Exchange, LLC	MACED	KYCSP	\$	50,000.00	\$	10,000.00
Shooting Star Properties, LLC/Paladin, Inc.	Community Trust Bank	KYCSP	\$	705,000.00	\$	40,125.00
Best Tyler, LLC	Wilson & Muir Bank & Trust Co.	KYCSP	\$	279,000.00	\$	48,000.00
Benjamin Watts/William & Kathy Watts/Watts's House of Iron	United Citizens Bank & Trust	KYCSP	\$	50,000.00	\$	10,000.00
Mikes Exterminating Co., Inc.	First National Bank of Grayson	KYCSP	\$	80,000.00	\$	16,000.00
Phillips Diversified Manufacturing, Inc.	Kentucky Highlands	KYCSP	\$	1,200,000.00	\$	240,000.00
breathie, LLC	Community Ventures Corporation	KYCSP	\$	57,000.00	\$	10,000.00
S & K Farms LLC/S & K Powder Coating, LLC	Franklin Bank & Trust Company	KYCSP	\$	203,133.00	\$	40,000.00
Grace Community Health Center	Forch Bank	KYCSP	\$	600,000.00	\$	120,000.00
Trackside Butcher Shoppe - Request #1	United Citizens Bank & Trust	KYCSP	\$	50,000.00	\$	10,000.00
Trackside Butcher Shoppe - Request #2	United Citizens Bank & Trust	KYCSP	\$	376,000.00	\$	75,200.00
Land Shark Shredding, LLC	Franklin Bank & Trust Company	KYCSP	\$	455,000.00	\$	91,000.00
Land Shark Shredding, LLC	Franklin Bank & Trust Company	KYCSP	\$	120,000.00	\$	24,000.00
Starlite, LLC	Kentucky Bank	KYCSP	\$	1,777,000.00	\$	250,000.00
Invictus 2468, LLC	Fifth Third Bank	KYCSP	\$	875,000.00	\$	175,000.00
Bader's Food Mart, Inc.	MainSource Bank	KYCSP	\$	286,000.00	\$	57,200.00
Bradley Ebelhar and Angela Ebelhar dba The Crowne	Community Ventures Corporation	KYCSP	\$	435,000.00	\$	27,000.00
Tilted Tulip, LLC	MACED	KYCSP	\$	305,000.00	\$	49,000.00
Walnut Specialists Incorporated	Kentucky Highlands	KYCSP	\$	150,000.00	\$	30,000.00
Heritage Millworks, LLC d/b/a Powell Valley Millwork	MACED	KYCSP	\$	425,000.00	\$	80,000.00
Heritage Millworks, LLC	MACED	KYCSP	\$	4,500,000.00	\$	150,000.00
Atlas Development Group, LLC	First Citizens Bank	KYCSP	\$	2,590,000.00	\$	440,000.00
Whitaker Group, LLC	MACED	KYCSP	\$	175,000.00	\$	35,000.00
Whitaker Group II, LLC	MACED	KYCSP	\$	175,000.00	\$	35,000.00
Carey Technologies, Inc. dba Pine Mountain Canopy Tours	Kentucky Highlands	KYCSP	\$	550,000.00	\$	50,000.00
Frontier Veterinary Services, LLC	United Southern Bank	KYCSP	\$	300,000.00	\$	37,498.55
Gaunce's Café and Deli LLC	Kentucky Bank	KYCSP	\$	200,000.00	\$	28,000.00
Christian Academy of Lawrenceburg, Kentucky, Inc.	MainSource Bank	KYCSP	\$	707,000.00	\$	131,400.00
Steamer Seafood Bowling Green LLC	Franklin Bank & Trust Company	KYCSP	\$	700,000.00	\$	100,000.00
All Type Supply	Citizens Deposit Bank	KYCSP	\$	181,868.00	\$	36,000.00
JC Brewer Construction, Inc.	Citizens First Bank	KYCSP	\$	251,200.00	\$	50,000.00
Austin Enterprises Incorporated	Kentucky Bank	KYCSP	\$	242,000.00	\$	48,400.00
Posh Academy, LLC	Paducah Bank & Trust	KYCSP	\$	358,250.00	\$	49,000.00
Eastman Law Office, PSC	MainSource Bank	KYCSP	\$	91,000.00	\$	18,200.00
LES Workout, LLC	Citizens First Bank	KYCSP	\$	1,098,920.00	\$	49,672.00
Stapleton Holdings, LLC	MainSource Bank	KYCSP	\$	457,000.00	\$	91,400.00
Steamer Seafood Concessions & Catering, LLC	Franklin Bank & Trust Company	KYCSP	\$	148,000.00	\$	20,000.00
Travel Guide-Kentucky	MainSource Bank	KYCSP	\$	99,086.76	\$	19,817.35
Bluegrass Tool & Industrial, LLC	First Security Bank	KYCSP	\$	1,250,000.00	\$	250,000.00
Lee's Ford Wine and Spirit Shoppe, LLC	Community Trust Bank	KYCSP	\$	350,000.00	\$	70,000.00
Latonia Star, LLC	MainSource Bank	KYCSP	\$	548,000.00	\$	45,000.00
Julep Pets, Inc.	Kentucky Bank	KYCSP	\$	155,000.00	\$	23,250.00
Miles Away, Inc.	Community Ventures Corporation	KYCSP	\$	290,000.00	\$	10,000.00
CGS Machine & Tool, Inc.	Franklin Bank & Trust Company	KYCSP	\$	1,440,000.00	\$	248,000.00
Quality Tire & Access, Inc.	SKLED	KYCSP	\$	150,000.00	\$	22,500.00
Whitaker Group, LLC	Kentucky Highlands	KYCSP	\$	270,000.00	\$	54,000.00



Whitaker Group II, LLC	Kentucky Highlands	KYCSP	\$	5,535,000.00	\$	108,000.00
Wellness Care, LLC	Fifth Third Bank	KYCSP	\$	470,000.00	\$	70,500.00
Malibu Jack's 2, LLC	Community Ventures Corporation	KYCSP	\$	1,604,500.00	\$	60,000.00
Parkview Pharmacy, Inc.	Citizens National Bank of Paintsville	KYCSP	\$	260,000.00	\$	52,000.00
M & M Newspapers, LLC	Traditional Bank	KYCSP	\$	500,000.00	\$	90,000.00
Cane Run Properties, LLC	MainSource Bank	KYCSP	\$	285,000.00	\$	57,000.00
Two Martini's LLC	Community Ventures Corporation	KYCSP	\$	540,027.00	\$	37,801.00
Taylor Tot Child Center, Inc.	Community Ventures Corporation	KYCSP	\$	177,110.00	\$	15,750.00
Canewood Homeowners Association, Inc. & Canewood HOA GC, LLC	Kentucky Bank	KYCSP	\$	1,230,000.00	\$	184,500.00
B & B Contracting, LLC	MACED	KYCSP	\$	100,000.00	\$	20,000.00
RuffleGirl Inc.	First Harrison Bank	KYCSP	\$	1,450,000.00	\$	290,000.00
Downtown Fitness Paducah, LLC	Community Financial Services Bank	KYCSP	\$	468,230.78	\$	88,000.00
Critchfield Meats, Inc.	Traditional Bank	KYCSP	\$	1,607,905.79	\$	211,543.20
Latonia Star, LLC	MainSource Bank	KYCSP	\$	40,000.00	\$	8,000.00
Cunningham Golf Car Co., Inc.	MainSource Bank	KYCSP	\$	700,000.00	\$	140,000.00
Michael A. Green and Vipavee T. Green (Crank and Boom	Community Ventures Corporation	KYCSP	\$	410,500.00	\$	33,656.00
Kentucky River Community Care, Inc.	Citizens National Bank of Paintsville	KYCSP	\$	525,000.00	\$	105,000.00
Empress Properties, LLC	Republic Bank & Trust	KYCSP	\$	1,200,000.00	\$	150,000.00
America's Finest Filters, Inc.	MainSource Bank	KYCSP	\$	170,500.00	\$	34,100.00
Disceumy, LLC	MainSource Bank	KYCSP	\$	100,000.00	\$	20,000.00
HRS Brooks, Inc.	First Citizens Bank	KYCSP	\$	4,364,000.00	\$	450,000.00
Library Holdings, LLC	Fifth Third Bank	KYCSP	\$	2,530,000.00	\$	249,000.00
Howard Law Firm, PLC	Kentucky Highlands	KYCSP	\$	250,000.00	\$	10,000.00
Eddie Eugene Shelton and Charlotte Shelton	Citizens National Bank of Paintsville	KYCSP	\$	149,000.00	\$	29,800.00
FireFresh Bar-B-Q, Blankenbaker, LLC	MainSource Bank	KYCSP	\$	175,000.00	\$	26,250.00
G&M Investments, LLC	Paducah Bank & Trust	KYCSP	\$	350,000.00	\$	35,000.00
Miracle Lawn and Landscaping, Inc.	Kentucky Highlands	KYCSP	\$	150,000.00	\$	25,600.00
Pinak, LLC	Fifth Third Bank	KYCSP	\$	725,000.00	\$	72,500.00
Country Boy Brewing, LLC & CBB Properties, LLC (equipment loan)	Traditional Bank	KYCSP	\$	2,997,438.00	\$	346,716.00
Country Boy Brewing, LLC & CBB Properties, LLC (construction loan)	Traditional Bank	KYCSP	\$	2,950,000.00	\$	250,000.00
Superior Expeditors, LLC	SKED	KYCSP	\$	75,000.00	\$	13,800.00
Kenneth A. Bell, Inc.	Fifth Third Bank	KYCSP	\$	334,988.36	\$	66,997.00
KJKJ, LLC	Fifth Third Bank	KYCSP	\$	578,106.63	\$	91,306.00
Illdreth Brothers, LLC	Franklin Bank & Trust Company	KYCSP	\$	400,000.00	\$	80,000.00
Mahilaxmi Host, LLC and Radha Ventures, LLC	Traditional Bank	KYCSP	\$	1,250,000.00	\$	250,000.00
Kentucky River Community Care, Inc.	Citizens National Bank of Paintsville	KYCSP	\$	673,000.00	\$	134,600.00
Sterling Physical Therapy & Associates, P S C.	The Citizens Bank	KYCSP	\$	467,000.00	\$	75,000.00
Great Flood Holdings, LLC	Republic Bank & Trust	KYCSP	\$	500,000.00	\$	100,000.00
Hicks-Blaydes Farm, LLC	Kentucky Bank	KYCSP	\$	600,913.40	\$	58,930.00
Affordable Signs & Apparel, LLC	United Citizens Bank & Trust	KYCSP	\$	48,000.00	\$	9,000.00



Christion Enterprises, Inc. d/b/a Isom IGA	MACED	KYCSP	\$	468,000.00	\$	83,600.00
Whitaker Group, LLC	MACED	KYCSP	\$	655,000.00	\$	105,000.00
Whitaker Group II, LLC	MACED	KYCSP	\$	262,000.00	\$	52,400.00
McClure's Auto Parts, Inc.	MACED	KYCSP	\$	560,000.00	\$	112,000.00
Palate Restaurant Group, LLC	Traditional Bank	KYCSP	\$	1,175,000.00	\$	120,000.00
High Performance Computer Services LLC	Citizens National Bank of Paintsville	KYCSP	\$	338,080.00	\$	62,500.00
Mirissia Duncil and Miles Duncil	First National Bank of Grayson	KYCSP	\$	205,000.00	\$	41,000.00
Hillview Property Management, LLC	Citizens First Bank	KYCSP	\$	488,000.00	\$	96,000.00
Hospitality Resources, LLC	United Cumberland Bank	KYCSP	\$	5,705,000.00	\$	342,300.00
Paducah Pizza Bakers, LLC	Paducah Bank & Trust	KYCSP	\$	1,660,000.00	\$	132,800.00
RH Lasher/BGC Properties, LLC (The Big Green Cow, Inc.)	Traditional Bank	KYCSP	\$	1,322,840.00	\$	132,284.00
DHIN Midland, LLC	First Harrison Bank	KYCSP	\$	1,167,500.00	\$	225,000.00
Auto Wash USA, LLC	Whitaker Bank	KYCSP	\$	1,331,688.00	\$	60,000.00
Optimum Fitness, LLC	United Citizens Bank & Trust	KYCSP	\$	50,000.00	\$	10,000.00
Kentucky River Community Care, Inc.	Citizens Bank of Kentucky, Inc.	KYCSP	\$	1,000,000.00	\$	200,000.00
Logan Corporation	SKED	KYCSP	\$	575,000.00	\$	80,000.00
Lee's Ford Dock, Inc.	Community Trust Bank	KYCSP	\$	974,000.00	\$	194,800.00
Tackett Enterprises, LLC	Citizens Bank of Kentucky, Inc.	KYCSP	\$	232,000.00	\$	46,400.00
B&D Cleaning, LLC	Community Ventures Corporation	KYCSP	\$	37,500.00	\$	7,500.00
The Law Offices of John Thompson, PLLC	Citizens Bank of Kentucky, Inc.	KYCSP	\$	78,662.00	\$	15,732.00
GBC Enterprises, LLC	Republic Bank & Trust	KYCSP	\$	2,822,500.00	\$	360,000.00
Mike Comb, Inc. d/ba Concrete Craft of Lexington	Community Ventures Corporation	KYCSP	\$	20,000.00	\$	4,000.00
TOTAL CLOSED FUNDS					\$	12,406,833.12

Paid Off/Recyclable Funds

NucSafe, Inc. / NucSafe Instruments, Inc.	SKED	KYCSP	\$	2,000,000.00	\$	100,000.00
M&M Partners Proj #2	Community Trust Bank	KYCSP	\$	51,442.00	\$	10,000.00
Eastern Telephone	MACED	KYCSP	\$	275,000.00	\$	9,500.00
Ocean Breeze	Community Trust Bank	KYCSP	\$	386,086.50	\$	47,250.00
The RF Group, LLC DBA Simply the Best Sports Bar & Grill	The Commercial Bank of Grayson	KYCSP	\$	151,274.27	\$	30,000.00
Indatus	PNC Bank	KYCSP	\$	8,700,000.00	\$	1,000,000.00
Sunny Deals, LLC	MainSource Bank	KYCSP	\$	25,000.00	\$	5,000.00
Wreck-A-Mend Auto Restoration, LLC	United Southern Bank	KYCSP	\$	94,500.00	\$	14,250.00
Vest Fabrication & Certified Welding, LLC	Kentucky Bank	KYCSP	\$	40,000.00	\$	4,000.00
Grace Coffee, Café, Bakery, LLC	Community Ventures Corporation	KYCSP	\$	75,000.00	\$	15,000.00
Land of Tomorrow Productions, LLC	South Central Bank	KYCSP	\$	-	\$	326.05
Lincoln Manufacturing USA, LLC	Commercial Bank	KYCSP	\$	7,245,000.00	\$	449,000.00
Lincoln Manufacturing USA, LLC	Commercial Bank	KYCSP	\$	2,800,000.00	\$	280,000.00
II & S Distributing, LLC	Wilson & Muir Bank & Trust Co.	KYCSP	\$	104,000.00	\$	19,400.00
BCM JR WR LLC/Elevation Management Group, LLC	United Southern Bank	KYCSP	\$	480,000.00	\$	96,000.00
J and L Lyle, Inc. Project #2-	Kentucky Bank	KYCSP	\$	29,000.00	\$	5,220.00
Carnage Outdoor Gear, LLC	Paducah Bank & Trust	KYCSP	\$	90,522.00	\$	18,000.00



K&G Bear Creek Retreat/Montgomery Wildness/KY Antler
Tin and Bonita Butler

Kentucky Farmers Bank	KYCSP	\$	-	\$	11,582.47
Citizens First Bank	KYCSP	\$	140,000.00	\$	26,000.00
TOTAL PAID OFF/RECYCLABLE FUNDS					\$ 22,686,824.77
					\$ 2,140,528.52

Claims Paid

Land of Tomorrow Productions, LLC
K&G Bear Creek Retreat/Montgomery Wildness/KY Antler

South Central Bank	KYCSP	\$	250,000.00	\$	49,673.95
Kentucky Farmers Bank	KYCSP	\$	3,353,745.85	\$	388,417.53
TOTAL CLAIMS PAID					\$ 3,603,745.85
					\$ 438,091.48

Approved

Hickory & Oak, LLC
Honey Enterprises LLC
AEK Transport Services LLC
Addiction Recovery Care LLC
Dalton Development Company Limited Liability Company
5454 LLC
SNEAK Properties

Franklin Bank & Trust Company	KYCSP	\$	750,000.00	\$	150,000.00
Citizens Deposit Bank	KYCSP	\$	59,864.52	\$	11,972.00
Community Ventures Corporation	KYCSP	\$	85,000.00	\$	17,000.00
MACED	KYCSP	\$	150,000.00	\$	16,000.00
Fifth Third Bank	KYCSP	\$	243,000.00	\$	27,000.00
First Harrison Bank	KYCSP	\$	150,000.00	\$	16,100.00
Stock Yards Bank & Trust Company	KYCSP	\$	4,200,000.00	\$	798,000.00
TOTAL APPROVED FUNDS					\$ 5,637,864.52
					\$ 1,036,072.00

TOTAL CLOSED, PAID OFF/RECYCLABLE, CLAIMS PAID & APPROVED \$ 136,541,880.22 \$ 16,021,525.12

Approved but Withdrawn

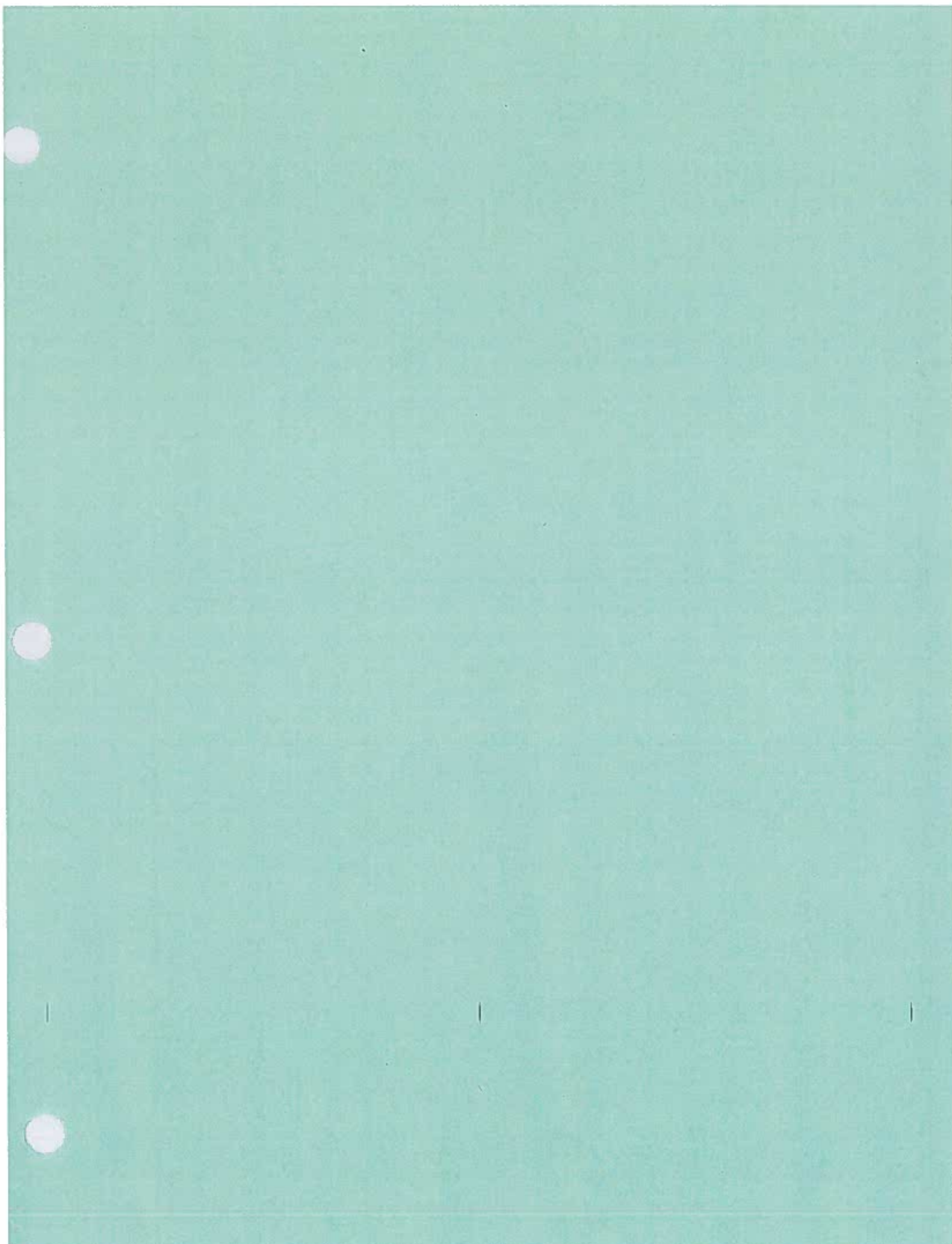
Corinth Christian Bookstore / Frankfort, KY
Champion Chevrolet/Oldham Co.
Carty-Vicars, Inc. dba Carty-Polly & Craft Funeral Home
E & R Enterprises, PLLC d/b/a Advantage Physical Therapy
Marrowbone Family Pharmacy, LLC
Brown's Fresh Meats and Produce, LLC
Bethlehem Fabrication, LLC
Walnut Specialists Incorporated
Cumberland Manor Rest Home, Inc.
Barnhill Enterprises - Request #2
PMAK, LLC
Grassroots Pharmacy, PLLC - Project #2
Grassroots Pharmacy, PLLC - Project #1
Robby Shell and Renae Shell
2nd Star, LLC dba Something 2 Do
Melissa J Stampfer and Thomas Stampfer dba Got Roots Hair Salon

Community Trust Bank	KYCSP	\$	120,000.00	\$	20,750.00
The Bank - Oldham County	KYLP	\$	1,264,934.00	\$	250,000.00
SKED	KYCSP	\$	790,000.00	\$	120,000.00
Community Trust Bank	KYCSP	\$	123,541.00	\$	24,708.20
MACED	KYCSP	\$	100,000.00	\$	20,000.00
Community Ventures Corporation	KYCSP	\$	20,000.00	\$	4,000.00
Traditional Bank	KYCSP	\$	48,000.00	\$	9,600.00
Kentucky Highlands	KYCSP	\$	980,000.00	\$	20,000.00
MACED	KYCSP	\$	250,000.00	\$	50,000.00
Kentucky Bank	KYCSP	\$	150,000.00	\$	30,000.00
Fifth Third Bank	KYCSP	\$	700,000.00	\$	63,000.00
Central Bank & Trust	KYCSP	\$	75,000.00	\$	15,000.00
Central Bank & Trust	KYCSP	\$	170,000.00	\$	34,000.00
Community Ventures Corporation	KYCSP	\$	299,000.00	\$	12,000.00
Community Ventures Corporation	KYCSP	\$	50,000.00	\$	10,000.00
Community Ventures Corporation	KYCSP	\$	30,300.00	\$	4,000.00
TOTAL APPROVED BUT WITHDRAWN					\$ 5,170,775.00
					\$ 687,058.20



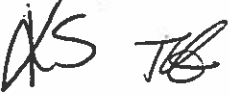
Closed, Paid Off/Recyclable Funds, Claims Paid & Approved Projects By Program

Fund Used By Program		Total Project		KSBCI Support Amount	
	Amounts				
KYLP	\$ 6,720,147.16	\$		\$ 271,029.40	
KYCSP	\$ 129,716,426.94	\$		\$ 15,747,393.60	
KYCAP	\$ 105,306.12	\$		\$ 3,102.12	
	\$ 136,541,880.22	\$		\$ 16,021,525.12	



MEMORANDUM

TO: KEDFA Board Members

FROM: Katie Smith, Executive Director 

DATE: April 27, 2017

RE: Resolution to Authorize KEDFA funds for the Kentucky Small Business Credit Initiative (KSBCI) Program

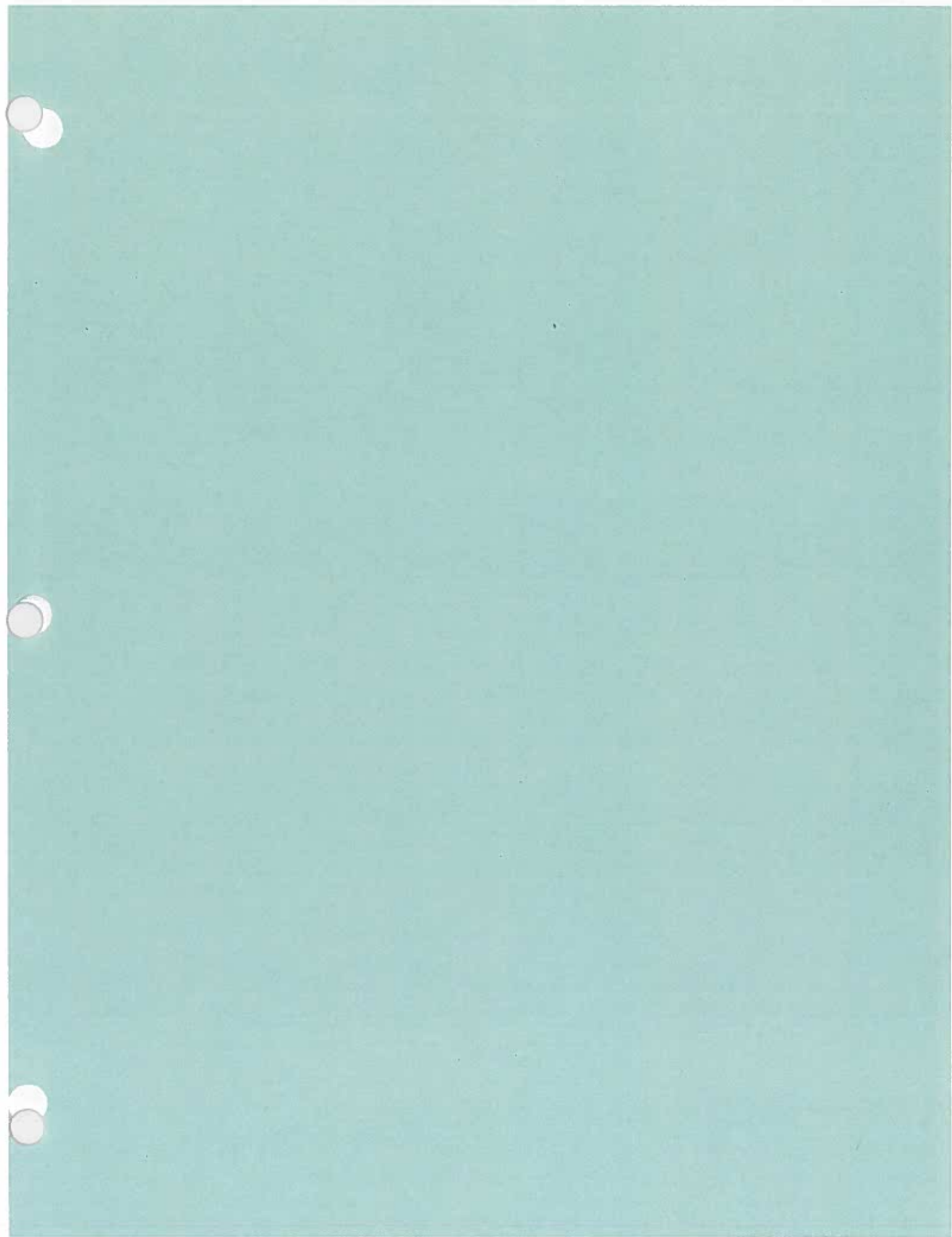
The Cabinet was previously approved by the United States Department of Treasury to receive the Commonwealth's allocation of State Small Business Credit Initiative funds for implementation of the KSBCI Program in the amount of \$15,558,050. On August 25, 2011, the Kentucky Economic Development Finance Authority approved guidelines for the KSBCI Program consisting of the following: 1) Kentucky Capital Access Program (KYCAP); 2) Kentucky Collateral Support Program (KYCSP); and 3) Kentucky Loan Participation Program (KYLPP).

The KSBCI programs have been successful in assisting small businesses since creation in 2011. The KYCSP is the most popular of the three programs. Currently, there are 47 eligible lenders approved to participate in the programs. The following statistics about the programs since inception are from the KSBCI Quarterly Funding Report dated March 31, 2017:

		Total Loan Amount	KSBCI Support Amount
Total Projects Approved and Closed/Disbursed	145	\$104,613,445.08	\$12,406,833.12
Total Paid Off/Recycled Projects	19	\$22,686,824.77	\$2,140,258.52
Total Approved Projects waiting for Disbursement	7	\$5,637,864.52	\$1,036,072.00
Claims Paid	2	\$3,603,745.85	\$438,091.48
TOTAL	173	\$136,541,880.22	\$16,021,255.12

The federal funds are being depleted, and we are beginning to use some of the recycled funds. Currently, there are over \$1,000,000 of potential projects in discussions with staff. Additional funds are needed for the programs to continue. Staff is requesting approval to utilize \$5,000,000 of bond authorization from the KEDFA Loan Pool funds for projects approved under the KSBCI programs.

Staff recommends approval of the attached resolution authorizing \$5,000,000 of bond fund authorization from the KEDFA Loan Pool Fund for projects approved under the KSBCI programs and transferring the funds to the appropriate accounts.



MEMORANDUM

TO: Kentucky Economic Development Finance Authority

FROM: Caroline Boeh Baesler
General Counsel *CCB
by RAG*

RE: Quarterly Amendment Resolution

DATE: April 27, 2017

The following companies are the subject of this quarter's quarterly amendment resolution:

KAIA

Comfy Cow LLC	Letter Amendment	Name Change
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Omveria, LLC	Letter Amendment	Name Change
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KRA

Kimball Furniture Group, LLC	Letter Amendment	Name Change
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KBI

None.

KEIA

None.

KJDA

None.